

1994/95  
Crop Projections

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United States Department of Agriculture

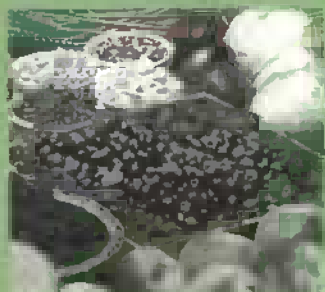
June 1994

**Assessing  
The Earth's Food Production Capacity**

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June 1994/AO-208

# AGRICULTURAL OUTLOOK



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Rice transplanting and seeding,  
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# Crop Projections for 1994/95 . . . Global Food Prospects . . . Plant Biodiversity . . . & Coffee Market Upturn

## 1994/95 Crop Projections

*USDA's first official projections* indicate larger global production of corn, rice, soybeans, and cotton than in 1993/94. World wheat production is forecast to drop 1 percent, and ending stocks are also forecast down.

Projections for the U.S. indicate that corn and soybean production will rebound from last year's reduced levels, stocks will increase, and farm prices will average lower. Rice and cotton output should rise, and stocks are expected up for rice, but a buildup for cotton may be limited by strong demand. Slightly lower wheat production is projected, but stocks are expected to rise due to lower consumption and relatively high imports.

## Food Prospects for the Future

*Can the earth produce enough food* to support the world's population in the coming decades? While agricultural resources are under intense pressure in some parts of the world, analysis by USDA's Economic Research Service (ERS) does not point to a global crisis or gross imbalance between overall food production and food needs in the long term. However, analyses by ERS and other research organizations do point to localized food crises that will not affect the world at large. These include the prospect of continuing famines in Sub-Saharan Africa and food shortages in South Asia.

## Trade Blocs Building in the West

*In the Western Hemisphere*, trade initiatives and subregional trade groups are developing what could be the foundation for a hemispheric trade accord encompassing the U.S., Canada, and Latin America and the Caribbean. At the same time, most Latin American and Caribbean countries are combining market-oriented economic reforms with trade liberalization to improve global competitiveness, attract foreign investment, and promote economic growth.



Four of the current trade initiatives in the Western Hemisphere involve the U.S.: the North American Free Trade Agreement (NAFTA), the Enterprise for the Americas Initiative (EAI), the Caribbean Basin Initiative (CBI), and the Andean Trade Preference Act (ATPA). And with the emergence of regional trading blocs, agricultural trade between the U.S. and other Western Hemisphere countries will likely increase as nontariff barriers to trade are eliminated. U.S. agricultural trade with other Western Hemisphere countries—imports and exports combined—was \$24.9 billion in 1993, accounting for almost 37 percent of total U.S. agricultural trade.

## Coffee Market Turnaround

*World market prices for coffee*, the most popular beverage in the U.S. after soft drinks, have been rising since January. The upturn reflects growing concern about supplies in key exporting countries, declining stocks in importing countries, and the impact of a producers' export-retention scheme which withheld coffee exports from the market between October 1993 and April of this year.

These higher coffee prices come at a time when U.S. coffee consumption has begun to pick up after several decades of decline. The upturn in U.S. consumption largely reflects the strong growth of the gourmet segment of the market. While imports meet the bulk of U.S. demand, a small but growing amount of gourmet coffee is produced in Hawaii.

## Exotic Livestock News

*Raising flightless birds* not native to the U.S. is still an exotic agricultural enterprise in this country. But the raising of these birds—mostly ostriches and emus—for feathers, hides (leather), and meat is growing. In the U.S., the ostrich industry began to expand around 1985, to about 40,000-60,000 ostriches today. Most of the farms are in Texas and California, but there is at least one farm in every state. Emu numbers in the U.S. range from 75,000 to 100,000 on 5,000 farms, located mostly in Texas.

The ostrich and emu industries are now in the breeder phase of development. In this phase, the price paid for birds reflects continued high prices for breeding stock rather than the value of meat, hides, feathers, or oil. When a sufficiently large number of breeding animals is developed or new investors are no longer available, breeding stock prices are likely to decrease.

## Biodiversity Treaty Impacts

*Developing countries* formerly provided free access to their agricultural genetic resources—including seeds and other germplasm from varieties that farmers develop as well as from the crop ancestors of such varieties. With passage of the Rio Biodiversity Treaty in 1992, countries may now charge for these resources. This generated concern among breeders that the international exchange of germplasm will diminish and lead to a decline in the rate of varietal improvement. Close analysis of the treaty and available germplasm sources indicate that such concerns may be overstated.



## Agricultural Economy



## Field Crops Overview

### Domestic Outlook: First 1994/95 Projections

*USDA's first projections for 1994/95 U.S. and world crops were released in the May Agricultural Supply and Demand Estimates report. Except for winter wheat, projected production for U.S. crops is based on the March 1994 Prospective Plantings report and trend yields. Forecast winter wheat production is based on an objective yield survey conducted by USDA's National Agricultural Statistics Service (NASS) in late April through early May.*

*USDA's initial projections indicate that corn and soybean production will rebound from last year's reduced levels, stocks will increase, and farm prices will average lower than in 1993/94. Rice production is projected higher, and sharply lower prices are expected as U.S. stocks increase. Larger cotton production is anticipated, but continued strong demand will limit the increase in stocks. Wheat production is projected 2 percent below 1993/94, but supplies will be down only slightly because of larger carryin stocks.*

**U.S. all-wheat production for 1994/95 is projected at 2.36 billion bushels, 2 percent less than 1993/94 output.** The NASS survey put winter wheat production at 1.66 billion bushels, based on conditions as of May 1. Spring wheat output, including durum, is projected at 700 million bushels, based on March prospective plantings, historical harvested-to-planted ratios, and trend yields.

The forecast 6-percent decline in winter wheat production reflects a smaller harvested area, down 4 percent from 1993/94, as well as a lower average yield, down 2 percent. Kansas, with slight increases in harvested area and yield, is expected to produce nearly one-quarter of the nation's 1994 winter wheat crop.

Forecast production in other predominantly hard-red-winter (HRW) wheat states is down from 1993/94. Significant declines are forecast for Texas, where dry conditions will reduce area harvested, and Montana, where late harvest of the 1993 crop reduced the area planted last fall. Forecast total HRW production, at 1.01 billion bushels, is nearly 6 percent less than 1993/94.

Forecast soft red winter (SRW) wheat production of 394 million bushels is 2 percent below 1993/94. Higher forecast yields in some of the producing states are expected to be more than offset by reductions in area harvested. The largest production declines are in Illinois and Missouri where excessive moisture reduced plantings last fall. Of the winter wheat classes, the sharpest production decline is in white wheat. Forecast production of 253 million bushels is down 14 percent from 1993/94. A return to more normal yields in Washington state from last year's record-high level accounts for most of the reduction.

The projected 11-percent increase in spring wheat production is based primarily on yields rebounding to trend levels. Durum production will be boosted by an anticipated 18-percent jump in acreage over last year. Relatively high prices for durum compared with other classes of wheat and most other crops are behind

the increase. Prospective plantings of other spring wheat were slightly below 1993 acreage.

Total wheat use in 1994/95 is projected at 2.38 billion bushels, down 3.5 percent from the 1993/94 level, because of lower feed use and exports. Expected larger production and lower prices for feed grains are behind the drop in wheat feed and residual use to 250 million bushels, 50 million less than in 1993/94. Sluggish world demand and continued fierce competition among major exporters underlie the projected 50-million-bushel reduction in U.S. wheat exports.

U.S. wheat stocks at the end of 1994/95 are projected at 615 million bushels, up 10 percent from the forecast for last year. Projected imports of 80 million bushels, although down from an estimated 95 million in 1993/94, are high by historical standards. The 1994/95 average farm price for all wheat is expected to be \$2.75-\$3.35 per bushel, compared with \$3.20 in 1993/94.

**Projected 1994/95 corn production, at 8.7 billion bushels, is 38 percent above last year's reduced level.** Harvested area is expected to be 13 percent greater than 1993/94, due to a reduction in the ARP (down from 10 percent in 1993 to 0 percent this year) and the higher harvested-to-planted ratio. The 1994 trend yield is about 20 percent larger than 1993's below-trend yield.

Total use in 1994/95 is projected at 8.3 billion bushels, 8 percent more than 1993/94. Larger U.S. supplies and lower prices are expected to boost all corn use categories. Feed and residual use, at 5.2 billion bushels, is expected up 8 percent; prospective exports, at 1.35 billion bushels, are up 10 percent; and food, seed, and industrial uses (FSI) are expected to total 1.75 billion bushels, up 9 percent. Expected strong growth in corn used in ethanol production is spurring FSI use.

While ending stocks of corn are projected up 52 percent in 1994/95, to 1.26 billion bushels, they will still be relatively small. The 1994/95 average farm price is forecast to be \$2.10-\$2.50 per bushel, compared with \$2.50-\$2.60 in 1993/94.

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Corn planting is off to a better start this year compared with last. In the 17 major producing states, 78 percent of intended acreage was planted as of May 16, up from 38 percent a year earlier.

**U.S. soybean production in 1994, projected at 2.1 billion bushels**, is 16 percent more than last year. Harvested area is expected up 6 percent, to 60 million acres, and the 1994 trend yield is 9 percent larger than the 1993 yield.

Total use in 1994/95 is expected to rise 1.5 percent to 1.98 billion bushels. Continued expansion in domestic soybean meal use will push soybean crush to nearly 1.28 billion bushels, near the all-time high set in 1992/93. However, projected soybean exports, at 600 million bushels, are only 10 million bushels above 1993/94. Prospects for little or

no growth in 1994/95 exports of soybeans and soybean products are based on continued slow growth in foreign protein meal demand and an expected increase in foreign oilseed production.

Ending stocks of soybeans are projected to rebound to 280 million bushels in 1994/95, up from forecast carryin of 155 million. The average farm price is projected at \$5.25-\$6.35 per bushel, compared with \$6.45 for 1993/94. Soybean oil prices are projected at 25-30 cents per pound, little changed from this season. Soybean meal prices are expected to drop sharply to \$150-\$180 per short ton, down from \$193 in 1993/94. Soybean oil is expected to account for 44 percent of soybean product value in 1994/95, up from 40 percent this season and 33 percent in 1992/93.

**U.S. rice production in 1994/95 is projected at 181 million cwt**, 16 percent above 1993/94. Harvested area, at 3.2 million acres, is expected to be 13 percent higher, and the 1994 trend yield is slightly larger than the 1993 yield. The increase in 1994 acreage is due to higher prices earlier this year and a reduction in the ARP from 5 percent in 1993 to 0 percent this year.

Total use in 1994/95 is expected to rise slightly to 182 million cwt. Domestic use will continue to trend upward, but projected exports, at 81 million cwt, are unchanged from 1993/94. The gap between foreign rice consumption and production is expected to narrow in 1994/95, and world trade is likely to show a decline.

Ending stocks of rice for 1994/95 are projected at 30.1 million cwt, up from forecast carryin of 23.1 million. The average farm price is projected in the range of \$5.75-\$7.25 per cwt, well below this season's \$8.25-\$8.75. As of mid-May, new crop futures contracts on the Mid-American Commodity Exchange were around 30 percent below contract highs reached last fall following Japan's decision to import rice. New crop futures indicate an average farm price near or below the \$6.50 loan rate.

**Cotton is the only program crop with an ARP greater than 0 percent in 1994.** The ARP for upland cotton is 11 percent, up from 7.5 percent last year. Even so, higher cotton prices are expected to cause a slight increase in plantings this year. With normal abandonment, harvested acres could match 1993's 12.8 million. The 1994 trend yield is about 10 percent larger than the 1993 yield, and projected cotton production for 1994/95, at 17.7 million bales, is 9 percent above 1993 output.

Total cotton use in 1994/95 is projected at 17.5 million bales, up slightly from 1993/94. If realized, this would put 1994/95 cotton use at the largest since 1926 (provided 1993/94 use is under 17.5 million bales). Domestic mill use is expected to expand slightly to 10.5 million bales in response to continued strong

U.S. Field Crops—Market Outlook at a Glance

	Area		Yield	Output	Total supply	Domestic use	Exports	Ending stocks	Farm price
	Planted	Harvested							
	—Mil acres—		Bu/acre			Mil bu			\$/bu
Wheat									
1993/94	72.2	62.8	38.3	2,402	3,026	1,242	1,225	559	3.20
1994/95	71.5	81.9	38.1	2,358	2,997	1,207	1,175	615	2.75-3.35
Corn									
1993/94	73.3	63.0	100.7	6,344	8,477	6,425	1,225	827	2.50-2.60
1994/95	78.8	71.5	122.1	8,725	9,557	6,950	1,350	1,257	2.10-2.50
Sorghum									
1993/94	10.5	9.5	59.9	568	743	475	175	85	2.30-2.40
1994/95	10.0	8.9	65.7	585	670	375	175	112	1.90-2.30
Barley									
1993/94	7.8	6.8	58.9	400	606	425	65	116	2.00
1994/95	7.8	7.0	57.2	400	561	375	60	126	1.95-2.35
Oats									
1993/94	7.9	3.8	54.4	206	424	315	4	106	1.35
1994/95	6.9	4.3	56.5	245	426	300	2	124	1.10-1.50
Soybeans									
1993/94	59.4	56.4	32.0	1,809	2,106	1,361	590	155	6.45
1994/95	81.1	60.0	35.0	2,100	2,260	1,380	600	280	5.25-6.35
			Lb/acre			Mil cwt (rough equiv.)			\$/cwt
Rice									
1993/94	2.92	2.83	5,510	158.1	202.6	98.5	81.0	23.1	6.25-8.75
1994/95	3.29	3.20	5,656	181.0	212.1	101.0	81.0	30.1	5.75-7.25
						Mil. bales			¢/lb
Cotton									
1993/94	13.4	12.8	606	15.2	20.6	10.3	7.0	3.6	58.00*
1994/95	13.8	12.8	665	17.7	21.3	10.5	7.0	3.9	**

Based on May 10, 1994 World Agricultural Supply and Demand Estimates; U.S. marketing years for exports

\*Weighted average price for August-March; not a season average. \*\* USDA is prohibited from publishing cotton price projections. See table 17 for complete definition of terms

## Agricultural Economy

demand for cotton products, especially denim. Exports are projected to remain large, matching the 1993/94 level of 7 million bales.

Ending stocks for 1994/95 are projected slightly higher at 3.9 million bales, or 22 percent of total use. Relatively low stocks-to-use ratios for 1993/94 and projected for 1994/95 indicate a potential for a volatile cotton market. In mid-May, cash prices for base-quality cotton were around 78 cents a pound, 35 percent above a year earlier.

[Sam Evans (202) 219-0840]

### Global Market: Outlook for 1994/95

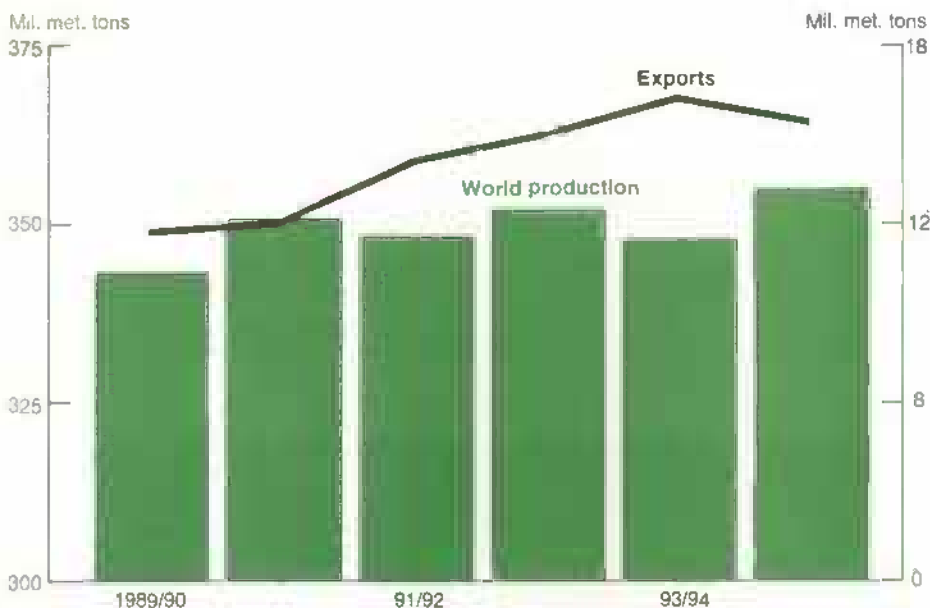
The first projections for 1994/95 wheat and coarse grain supply and use, by country, are included in this report. Oilseed projections are for the U.S. only. For rice and cotton, only U.S., total world, and total foreign projections are incorporated this month. Individual country breakouts for rice, cotton, and oilseeds will be made in July.

The initial projections indicate larger global production of corn, rice, soybeans, and cotton than in 1993/94. World wheat production is forecast to drop 1 percent, and ending stocks are also forecast down.

Global 1994/95 wheat trade is projected to be nearly unchanged from 1993/94. Demand continues weak and export competition remains strong. Consumption is projected down marginally from 1993/94. World production, however, is expected to drop 1 percent, and ending stocks are projected down.

Part of the decline expected in production is among exporters—including Canada and Australia—and U.S. production also is projected lower. The largest reduction is in the former Soviet Union (FSU), with winter sown area off sharply in Russia and "winter-kill" of wheat plants above average in both Russia and Ukraine. Additional FSU spring sowing and projected production increases in Central Asia are offsetting only some of the decline.

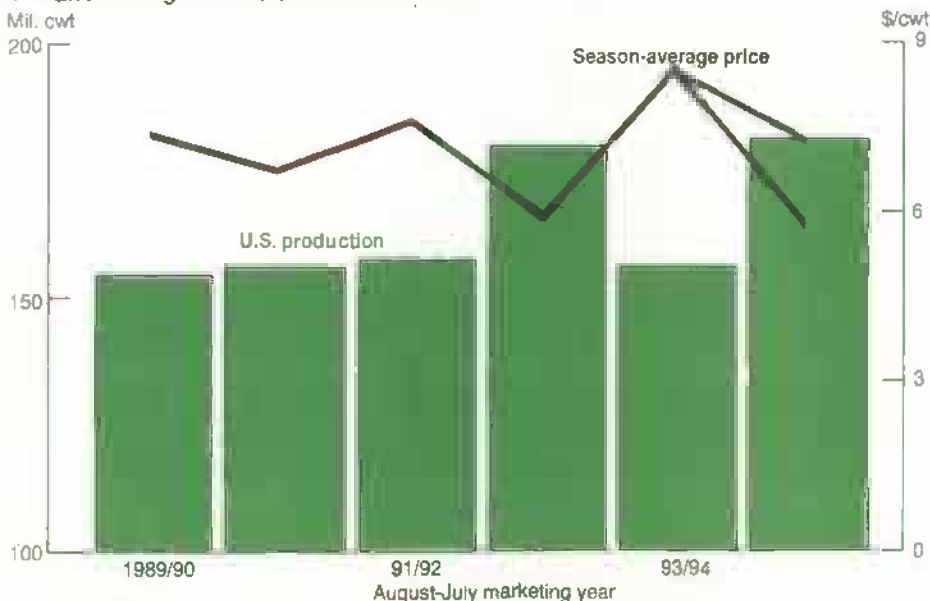
### World Rice Production To Rebound, Lowering Exports



Milled basis, 1994/95 forecast.

Calendar-year basis for exports. Marketing-year basis for production (marketing years vary by country).

### ... and Pulling Down U.S. Grower Prices



1994/95 forecast range. 1993/94 price mid-point of estimated range. The U.S. accounts for about 2 percent of world rice production.

Imports are expected to continue weak in the FSU and are expected to decline in 1994/95 in South Korea, Mexico, Eastern Europe, the Middle East, North Africa, and the U.S. However, China's imports are forecast up 2 million tons, nearly offsetting declines elsewhere. Wheat consumption in China continues to rise, spurred by strong economic growth.

Several factors account for the expected decline in imports. FSU imports are projected down 3 percent to 13.5 million tons, as consumption falls further and financial constraints continue. South Korea and Mexico are expected to use less wheat in feed rations as relative prices begin to favor corn. The remain-



## Agricultural Economy

der of the trade decline mainly reflects improved 1994/95 production in other importing countries.

The largest gain in exports, 1.5 million tons, is projected for Canada, as its crop quality improves and it increases exports to the booming durum market. Canadian exports are expected to reach 19 million tons in 1994/95. Argentina's exports are expected to be up slightly, to 5.1 million tons.

In Australia, exports are forecast to remain strong at 12.5 million tons, despite lower production, due to the record-high stock levels. Exports from the European Union (EU) are projected to decline 500,000 tons, to 18 million tons, mainly reflecting tight EU durum supplies.

U.S. exports are projected down 1 million tons from 1993/94, to 32 million tons, reflecting continued weak global demand and strong export competition. The U.S. share of the export market is expected to slip slightly from 1993/94, to 32.8 percent.

**World corn trade is projected to increase in 1994/95, but remain relatively weak.**

Exports are forecast up 5 percent, reflecting increased imports by Mexico and Korea. Production is projected to rise 13 percent, but consumption is forecast up only about 4 percent, and expected ending stocks rise.

Barley and sorghum exports are both projected to decline, falling nearly 8 and 6 percent. Total coarse grain trade is projected at 83 million tons, nearly unchanged from this year.

The projected rebound in U.S. corn production accounts for much of the gain in global corn output. This production gain will result in lower prices and help boost U.S. exports to 34 million tons, up 3 million from a year earlier. The U.S. share of the corn market is projected to rise to nearly 59 percent from the recent low of 56 percent forecast for 1993/94.

China is expected to maintain corn exports at 12 million tons, reflecting another large crop. South Africa's exports of corn are expected to increase 500,000

tons, to a projected 3.5 million, due to the large supplies from its bumper 1993/94 crop. Corn exports from other major exporters, including Argentina, are generally expected to be down slightly.

Corn imports are projected up in a number of markets, including South Korea, Mexico, and Brazil—more than offsetting another expected decline in FSU imports. Corn use is expected to be more attractive to South Korea as imports of wheat for livestock feed decline in 1994/95. NAFTA will likely boost Mexico's corn imports and support continued livestock expansion. In Brazil, the expanding poultry industry and smaller corn production are expected to push imports higher. Japan, the largest corn importer, is expected to take 16.8 million tons, about the same as in 1993/94.

World sorghum trade is projected to fall, largely because Mexico is likely to substitute some corn imports for sorghum. U.S. exports are projected to stay flat at 4.5 million tons.

Barley imports are projected to drop in the U.S., North Africa, Eastern Europe, and the FSU. Despite Saudi Arabia's efforts to raise barley production, it is still likely to be the major barley market, with imports projected at 5 million tons, the same as in 1993/94. The smaller global imports will result in lower exports by all the major exporters.

**Global rice production is projected up in 1994/95.** As a result, lower import demand and a return to the aggressive export competition that characterized the market in 1992/93 are expected in 1994/95. World exports are forecast

World Rice and Cotton Production To Rise

	Year <sup>1</sup>	Production	Exports <sup>2</sup>	Consumption <sup>3</sup>	Carryover
Million tons					
Wheat	1993/94	560.2	97.9	563.5	143.0
	1994/95	552.1	97.6	561.5	133.5
Corn	1993/94	465.7	55.1	503.2	68.6
	1994/95	527.4	57.7	522.7	73.3
Barley	1993/94	167.4	16.9	167.5	35.7
	1994/95	168.1	15.5	168.7	35.2
Rice	1993/94	348.0	15.8	355.2	44.1
	1994/95	354.7	NA	356.2	42.6
Oilseeds	1993/94	222.7	36.7	184.4	19.5
	1994/95	NA	NA	NA	NA
Soybeans	1993/94	113.3	28.3	98.0	16.6
	1994/95	NA	NA	NA	NA
Soybean meal	1993/94	77.6	28.7	77.3	3.5
	1994/95	NA	NA	NA	NA
Soybean oil	1993/94	17.8	4.3	18.0	1.4
	1994/95	NA	NA	NA	NA
Million bales					
Cotton	1993/94	76.0	26.2	84.7	30.3
	1994/95	84.0	27.0	85.5	28.8

NA = Not available until July 12, 1994.

<sup>1</sup> Marketing years are: wheat, July-June; coarse grains, October/September; oilseeds, soybeans, meal, and oil, local marketing years except Brazil and Argentina adjusted to October-September trade, cotton, August-July. <sup>2</sup> Rice trade is for the second calendar year. All trade now has been inflated to include trade among the countries of the former Soviet Union. In addition, rice trade, like other grain trade, excludes intra-EC trade. Oilseed and cotton trade, however, still include intra-EC trade. <sup>3</sup> Crush only for soybeans and oilseeds.

## Agricultural Economy

down 4.6 percent from the record 16.2 million tons expected for 1993/94.

Global rice production and use are projected at record levels in 1994/95 as producers expand area in response to the very high 1993/94 prices. Production (milled basis) is projected up 1.9 percent on the strength of both anticipated record foreign production of 349 million tons and the larger U.S. crop. But prices are projected sharply lower because of the larger area and expectations that Japan will import less rice.

The record 2.3 million tons of rice imports by Japan in 1993/94, along with an expected return to normal production in 1994/95, is likely to limit Japan's 1994/95 rice imports to the minimum access requirement of nearly 400,000 tons agreed to under the Uruguay Round of the GATT negotiations. But as world prices fall, other price-sensitive importers may increase rice purchases, limiting the decline in volume of rice traded.

U.S. prices are also falling to a more competitive level in international markets, and U.S. rice exports are projected at 2.6 million tons in 1994/95, unchanged from 1993/94 despite Japan's smaller imports.

**Several developments could limit world soybean trade in 1994/95.** Slow foreign protein meal demand is expected to continue, and foreign oilseed production is expected to increase. Soybean and meal imports will likely remain weak. Continued losses in EU import demand due to the substitution of grains in feed rations, and reduced meal consumption in the FSU, are expected to more than offset continued import expansion in Asia.

Strong export competition is expected early in the 1994/95 season from the record 1993/94 South American soybean crop. U.S. soybean exports are forecast up slightly in 1994/95, to 16.33 million tons, due to the recovery expected in the U.S. crop. U.S. soybean meal exports, constrained by the weak import demand,

are projected to remain unchanged at 4.45 million tons. U.S. exports of soybean oil are forecast to drop to 480,000 tons due to larger exports of other vegetable oils and a continuation of relatively high prices for soybean oil.

**Global 1994/95 cotton import demand may rise again.** Consumption is expanding in importing countries. However, the higher prices from 1993/94 are expected to limit growth in importer demand. Global trade is projected to increase by 850,000 bales in 1994/95, up 3 percent from 1993/94, while world consumption is expected to rise by 800,000 bales, a 1-percent increase.

World production is also projected to rise, as major producers return to more normal yields after the weather- and pest-induced declines this season. As output rises for major producers, consumption by these producers is also expected to resume growing after falling in 1993/94. Global output is projected up 10.5 percent, to 8 million bales, and world stocks are expected to tighten.

Greater production and exports by foreign competitors are projected, but U.S. cotton exports are expected to remain large. U.S. exports are forecast at 7 million bales, unchanged from 1993/94's strong performance. The U.S. market share is expected to fall slightly from this season's unusually high share of 27 percent.

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## Livestock, Dairy & Poultry Overview

*For the 12th consecutive year, meat production is expected up. Poultry and beef are expected to account for all of this year's increase, while pork production is expected to decline for the second year in a row. Meat production is expected to rise 2.7 percent this year, up from a 1.4-percent increase last year.*

**Beef production is expected up 4 percent in 1994.** Slaughter rates are up from the low weather-affected levels of a year earlier, and slaughter weights are record high. Although declining seasonally, the number of cattle on feed in the 13 quarterly reporting states on April 1 was up 2 percent from a year earlier. In the second quarter, fed cattle marketings are likely to be up only slightly from last year, but continued heavier slaughter weights will result in 4-5 percent more beef production than a year earlier. Third-quarter beef production is expected to be up nearly 3 percent from a year ago, continuing modest gains in fed cattle marketings with heavier slaughter weights.

The seasonal peak in fed cattle prices this year likely occurred in mid-April, when prices reached \$77 per cwt. Prices have already dropped to the upper \$60's per cwt but are expected to average in the low \$70's this summer, before rising to the mid-\$70's this fall when supplies decline seasonally.

Year-to-year declines in fed cattle prices, combined with higher feed costs, continue to result in feedlot losses and lower prices for feeder cattle. These losses, plus the large number of cattle already on feed, will hold down feedlot placements this spring.

In addition, feeder cattle supplies outside feedlots on April 1 were down 1 percent from a year earlier. These cyclically low feeder cattle supplies, along with favorable grazing conditions, should result in more cattle remaining on pasture this



## Agricultural Economy

spring and summer than last year as ranchers resist lower prices from feedlots.

**Pork production is expected to drop about 1 percent in 1994.** December-February farrowings fell below intentions, and the average litter size declined slightly from a year earlier for the first time in several years—a setting for declining pork production in 1994. Both factors caused the December-February pig crop to decline about 2 percent from earlier forecasts and will show up in reduced supplies this summer when the majority of those hogs are marketed. Third-quarter pork production is forecast to be 4.15 billion pounds, about the same as a year earlier.

The March-May pig crop is expected to be down from a year earlier. These pigs will provide the bulk of fourth-quarter slaughter supplies. Production will increase seasonally from the summer, but will be about 3 percent below last year.

Hog prices during the third quarter are expected to be in the high \$40's per cwt, nearly unchanged from a year earlier. Fourth-quarter hog prices are forecast to

decline seasonally to the mid-\$40's per cwt, slightly above last year. Price increases are limited by year-over-year increases in beef and poultry supplies.

Second-half profit margins, even with slightly higher prices, will likely allow producers only to recoup losses from earlier in the year. In addition, producers are likely to temper any plans to expand hog numbers until the outlook for 1994/95 is more favorable.

**Following 2 years of favorable returns, broiler output will rise in 1994.** Production is expected to increase 5-6 percent in both the first and the second half of 1994. Prices this year have consistently remained above a year earlier, and are expected to continue higher through the summer, at 55-61 cents per pound. But these prices have been largely offset by higher feed costs, so that net returns during the first half of 1994 were about the same as a year earlier.

Chick hatch and placements indicate third-quarter broiler production will be up about 6 percent, with returns continuing positive. A larger broiler hatchery

flock and increased intended placements through 1995 indicate continued production expansion.

Domestic demand continues to be boosted by greater sales of rotisserie chicken and the introduction of several new fast-food products this spring. Rising exports and strong domestic demand have pushed leg and leg quarter prices dramatically above a year ago. Whole-bird prices have moved higher as well. However, prices for chicken breasts, although improving, remain below year-ago levels as buyers have focused on whole birds and leg parts.

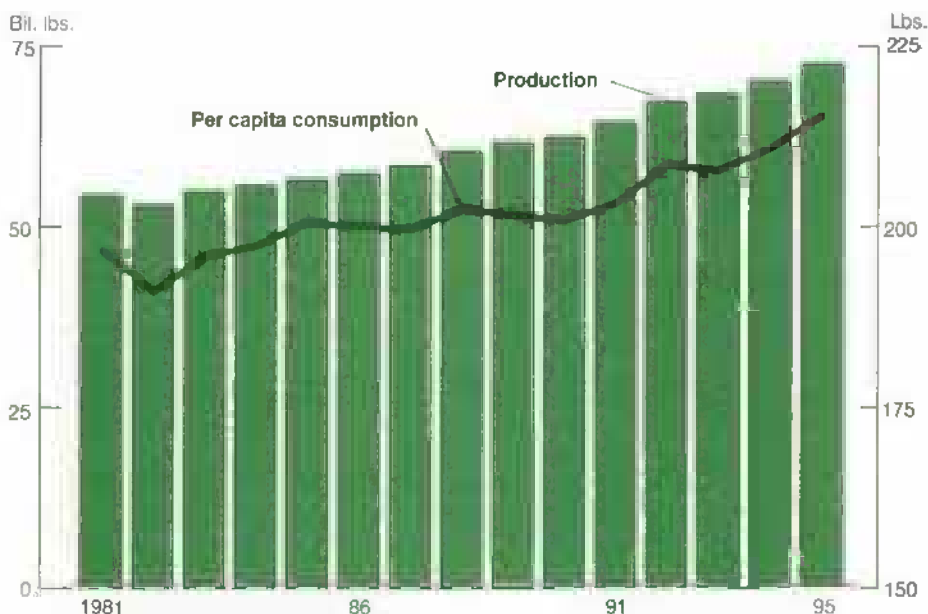
Broiler exports in 1994 are expected to be up over 12 percent from last year and a record, with shipments to the Pacific Rim, Eastern Europe, Russia, and Mexico especially strong. Exports to Russia in January and February, at 80 million pounds, were up substantially from 43,000 a year ago. This strength is expected to continue, provided Russia does not impose duties on imported meats.

Shipments to Mexico may slow later in the year due to the imposition of a tariff rate quota authorized under the North American Free Trade Agreement (NAFTA). Under a tariff rate quota, a portion of U.S. shipments to Mexico could enter duty free, but when the quota is reached any additional imports would be subject to a high tariff. The quota will be raised every year and the tariff gradually reduced to zero during the phase-in period. For 1994, the tariff rate quota for poultry meat is about 60 percent of U.S. exports to Mexico in 1992, or 95,000 metric tons.

**Turkey production growth is expected to slow in the third quarter.** Poult placements have moderated in recent months in response to higher feed costs and seasonally lower turkey prices in early 1994. Placements in April, the latest month for which data are available, were down 2 percent from a year earlier. Third-quarter turkey production, forecast up about 2 percent from a year earlier, trails the 5-percent increase of the second quarter.

Wholesale turkey prices in the third quarter are expected to rise seasonally and average about the same as a year earlier.

Per Capita Meat Consumption Is Record High



Includes red meat and poultry. 1994 and 1995 forecasts.  
Consumption = utilization estimates including bone and fat typically removed prior to purchase.

## Agricultural Economy

### U.S. Livestock & Poultry Products—Market Outlook at a Glance

		Beginning stocks	Production	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price
								Total	Per capita	
		— — — — — Million lbs. — — — — —						— — — — — Lbs. — — — — —		\$/cwt
Beef	1994	529	23,976	2,365	26,870	1,425	475	24,970	67.0	71-77
	1995	475	24,557	2,450	27,482	1,545	450	25,487	67.7	68-74
Pork	1994	359	16,690	760	18,009	420	375	17,214	51.2	45-47
	1995	375	17,358	675	18,408	440	375	17,593	51.8	42-46
c/lb										
Broilers*	1994	358	23,234	0	23,592	2,205	390	20,997	70.8	55-57
	1995	390	24,316	0	24,706	2,315	390	22,001	73.4	52-56
Turkeys	1994	249	4,948	0	5,197	204	265	4,728	18.1	61-64
	1995	265	5,047	0	5,312	210	265	4,837	18.4	59-63
— — — — — Million doz. — — — — —										
Eggs**	1994	10.7	6,052.6	4.5	6,067.8	160.0	12.0	5,095.9	234.4	68-71
	1995	12.0	6,100.0	4.5	6,116.5	160.0	12.0	5,114.5	233.0	64-70
— — — — — No. — — — — —										
c/doz.										

Based on May 10, 1994 World Agricultural Supply and Demand Estimates.

\* Cold storage stocks previously classified as "other chicken" are now included with broiler stocks. \*\* Total consumption does not include eggs used for hatching. See tables 10 and 11 for complete definition of terms.

Increased production and slightly larger cold storage stocks are expected to moderate whole-bird price increases. Feed costs are expected to ease slightly this summer, but remain about 10 percent above a year earlier. Net returns should average near breakeven during the third quarter.

Turkey exports during the first half of 1994 are estimated to be above a year earlier. Shipments to Mexico, the largest U.S. export market, were up about 10 percent from last year during the first quarter, and shipments to Russia were up nearly 10 million pounds from a year ago due to relatively low U.S. export prices. Exports to South Korea were down about 30 percent.

As with broilers, shipments to Mexico may slow later in the year due to the imposition of a tariff rate quota authorized under NAFTA. Prior to NAFTA, U.S. turkey exports to Mexico were subject to more restrictive measures. Trade issues are also pending with South Korea, another large U.S. market, including shelf-

life regulations for imported meats and delays in moving products due to customs inspections.

**Table-egg production is forecast up 1 percent in 1994.** Slow growth in domestic consumption and trade, and slightly weaker season-average prices, are behind the modest growth. Table-egg production is expected up fractionally in the second half, down from a 1-2 percent increase in the first half. Third-quarter table-egg production will be only slightly larger than a year earlier—a result of flock size reduction in response to the second-quarter negative returns.

Light hen slaughter has been greater than last year, creating a smaller, but younger and more productive flock. Hen slaughter is expected to continue greater than last year during the remainder of the year. In addition, first-quarter egg-type hatch was 9 percent below last year and the hatchery supply flock 3 percent smaller, indicating fewer pullets will be available for flock placement during the second half of 1994.

Wholesale prices should average near 70 cents for the year, compared with 73 cents last year. In the second quarter, wholesale prices weakened, but the decrease was limited by greater demand for processing eggs and exports. Third-quarter wholesale prices should strengthen from last year to the high 60's per dozen.

**Milk production continues to shift west.** Production gains in the western states will offset declines in the Midwest, allowing U.S. milk production to rise substantially above a year earlier by late 1994. However, for the year as a whole, total milk production is expected to be up only slightly from last year's 151 billion pounds.

New dairy operations in several western states have boosted cow numbers enough to guarantee sizable production gains for these states during the rest of 1994. In contrast, some Midwest states will not recover from recent drops in output for years.

New Mexico, Arizona, Idaho, California, Texas, and Oklahoma each produced at least 5 percent more milk in January-March than a year earlier. These six states account for about one-fourth of U.S. milk production.

For these six states as a whole, milk output during January-March jumped nearly 10 percent from a year earlier, with 4 percent more cows and a 5-percent gain in milk per cow. The large jump in milk per cow in these states may be due to use of bovine somatotropin (bST).

North Dakota, Kansas, Wisconsin, Missouri, Iowa, and Minnesota also produce about one-fourth of the U.S. milk supply, but their output has been declining. Production in these six states declined 7.5 percent on average from a year earlier during January-March. The loss of almost 6 percent of the herd was the major cause of lower production. In addition, forage quality problems in 1993 were common in these states, contributing to a 2-percent decline in milk output per cow during January-March and possibly slowing initial use of bST.

These Midwest states have rapidly lost producers who were no longer competitive. So far, few remaining producers have been willing to expand operations and bring those resources back into production.

**For further information, contact:** Agnes Perez, coordinator; Ron Gustafson, cattle; Steve Reed, hogs; Lee Christensen, Larry Witucki, and Milton Madison, poultry; Jim Miller and Sara Short, dairy. All are at (202) 219-1285. **AO**

## Specialty Crops Overview

*USDA's Crop Production report for May contains estimates of almond production in California. Other USDA commodity reports released in May, which contain specialty crop estimates, include Potato Stocks and Catfish Processing.*

*California's 1994 almond output and summer fruit supplies are expected as large or larger than last year, and prices will likely be lower. Potato prices are expected to remain strong through the summer because fewer fresh potatoes currently remain in storage than usual. And farm-raised catfish output will increase this fall when the small fish in ponds this spring reach food size.*

*Larger 1994 crops are expected for California almonds, apricots, and sweet cherries. USDA forecasts California almond production at 610 million pounds, shelled basis, in 1994, up 24 percent*

from last year. California produces essentially all almonds grown in the U.S. The small 1993 crop, plus strong domestic and export demand, have lowered stocks and increased grower and wholesale prices for the 1993/94 season. Wholesale prices (f.o.b. California) have ranged from \$2.25 to \$2.50 a pound during most of the 1993/94 marketing season, compared with \$1.60-\$1.90 in 1992/93. Increased output could signal lower prices later this year.

California shippers concluded the seasonal shift from *navel oranges* to *Valencia oranges* during May, and fresh orange prices are expected to decrease as the Valencia harvest reaches its peak. While California navel output in 1993/94 was down, Valencia orange production is forecast 22 percent higher than last season.

California *sweet cherries* are among the first summer fruits to be harvested, and producers expect a bumper crop this year. Prices during California's harvesting season—which peaks around Memorial Day and continues through early June—are expected lower than 1993 prices. Washington and Oregon take over as the major sweet cherry suppliers

## USDA To Terminate Citrus Marketing Orders

USDA announced in mid-May that it intends to terminate marketing orders for California-Arizona lemons, navel oranges, and Valencia oranges by mid-July 1994. The primary reason for the termination was failure of the industry to arrive at a consensus on proposed changes to the programs.

Federal marketing orders authorize agricultural producers to promote orderly marketing by influencing such factors as supply and quality, and to pool funds for promotion and research. Marketing orders are initiated by the industry, and are approved by the Secretary of Agriculture and by a vote among producers. Once approved, a marketing order is mandatory.

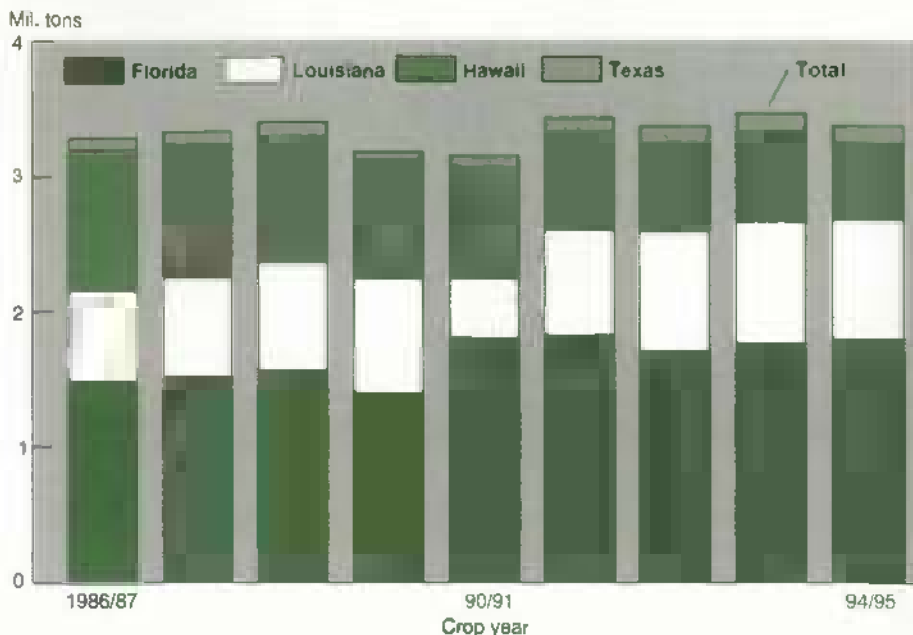
The Federal marketing orders for California and Arizona navel oranges, Valencia oranges, and lemons authorize standards for fruit size, collection of funds for marketing and research, and controls on the volume of fresh fruit marketed domestically. Volume controls had not been implemented for over a year.

The citrus industry now has the option to propose new marketing orders that would more effectively accomplish the goals of providing market stability and preventing gluts or shortages.



## Agricultural Economy

### Sugarcane Production Is Shifting to Florida and Louisiana



1994/95 forecast.

during June and July. USDA releases its first estimate of cherry production in June.

California's producers report that their 1994 *apricot crop* could be 10-15 percent larger than in 1993. California accounted for 92 percent of U.S. apricot output in 1993.

Georgia growers reportedly expect their 1994 *peach crop* to be nearly the same size as last year's large output of 150 million pounds. Growers in South Carolina have reported nearly ideal weather during the March bloom period and are expecting a large crop. California—the largest producer of fresh-market peaches—has had relatively favorable weather, and shippers expect volume to be about the same as last season. The first USDA estimate of peach production will be in June.

**Strong demand and smaller supplies this spring are keeping potato prices high.** Retail prices for fresh potatoes this spring have been up 10-15 percent from a year earlier, and will likely stay high through the summer. Season-average grower prices for the 1993/94 marketing

year are estimated at \$6.22 per cwt, up 13 percent from last season. The largest seasonal potato crop is harvested in the fall and marketed throughout the year.

Continued export growth for frozen potatoes along with larger purchases by fast-food restaurants have pushed up the volume of potatoes used for processing. Due largely to increased processing use, an estimated 9 percent fewer fall potatoes remained in storage on May 1 than a year earlier.

Despite a 15-percent-larger spring crop, fresh potato supplies on May 1 were estimated down 4 percent from a year ago. With a large portion of this supply committed to processing, lower shipments of fresh-market potatoes are expected through the summer, and prices will likely remain strong until the 1994 fall crop becomes available.

**Beet sugar production is expected to increase this year, but cane sugar output may fall.** USDA projects total 1994/95 sugar production at 7.67 million tons, raw value, up 1.5 percent from the current season. Beet sugar production is ex-

pected to account for 56 percent of the total, up from 54 percent this season.

Earlier this year, sugarbeet growers indicated intentions to plant 1.46 million acres in 1994, up 1 percent from last year. The largest gains are expected in the North Dakota-Minnesota production area, where expanded acreage increased output 42 percent between 1982 and 1992.

Sugarcane producers in Florida and Louisiana have also been expanding production since 1982, primarily by increasing acreage. Sugar production rose 29 percent both in Florida and Louisiana between fiscal 1983 and 1993. Increased sugarcane acreage in these states has helped offset recent declines in Hawaiian sugarcane acreage. Sugarcane output and acreage have been falling in Hawaii due to high production costs and mill closures. Sugar output in Hawaii is projected at 560,000 tons in 1994/95, compared with 1.1 million tons in 1983/84.

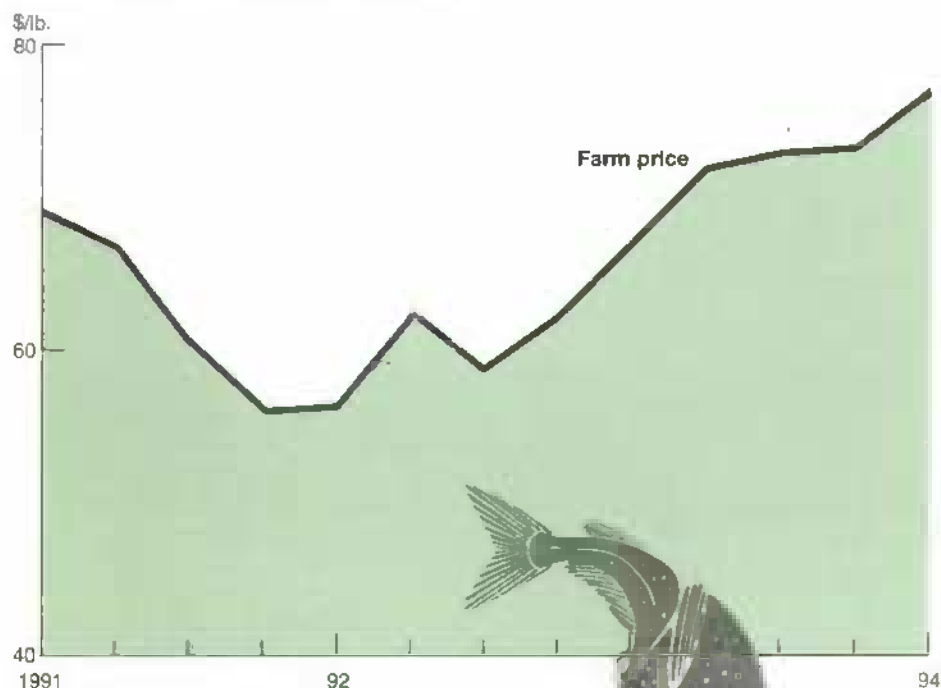
**Output of farm-raised catfish is expected up this fall.** The increase follows a period of flat or declining output since the beginning of 1993. Growers have more small fish (small stockers and fingerlings/fry) in their ponds this spring than a year ago. Producer sales are expected to pick up this fall when these fish reach market size.

The current slump in catfish deliveries to processors, which followed a period of lowered stocking rates in 1993, is expected to continue through second-quarter 1994. Reduced supplies this spring have boosted producer prices to 80 cents a pound, up from averages of 68 and 72 cents in 1992 and 1993.

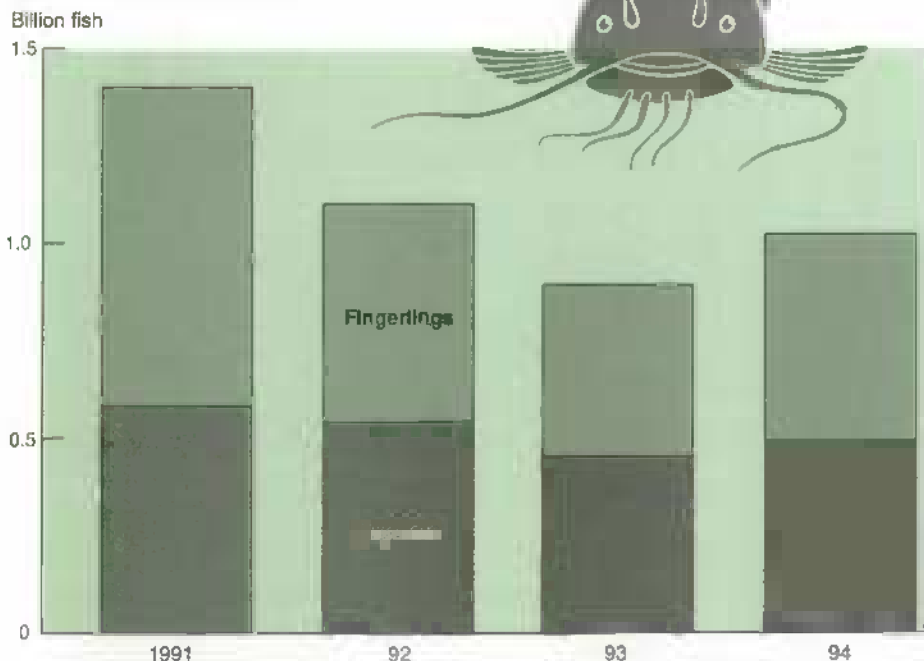
In response to the higher farm prices, growers increased the rate at which they stocked their ponds during the first quarter of this year. Inventory of small stockers on April 1 was up 16 percent from

## Agricultural Economy

## As Catfish Command Higher Prices . . .



## . . . Inventories Rebound



April 1, Farmer-held inventories in ponds.

Stockers weigh over 0.06 pound and up to 0.75 pound. Fingerlings weigh over 0.002 pound and up to 0.06 pound.

1993, and fingerling/fry numbers were up 18 percent. Grower prices for catfish are expected to decline this fall as these fish reach market size and processing volume picks up.

[Glenn Zepp (202) 219-0882]

## For further information, contact:

Dennis Shields, and Diane Bertelsen, fruit and tree nuts; Gary Lucier, vegetables; Peter Buzzanell, sweeteners; Doyle Johnson, greenhouse/nursery; Verner Grise, tobacco (202) 219-0882. David Harvey, aquaculture; Lewrene Glaser, industrial crops (202) 219-0085. **AO**

## June Releases—USDA's Agricultural Statistics Board

The following reports are issued at 3 p.m. ET on the dates shown.

## June

- 1 Broiler Hatchery
- 2 Minn.-Wis. Manufacturing Grade Milk, Final 1991-93
- 3 Dairy Products  
Poultry Slaughter
- 6 Crop Progress—after 4 p.m.  
Egg Products
- 8 Broiler Hatchery
- 9 Crop Production
- 13 Crop Progress—after 4 p.m.
- 14 Turkey Hatchery
- 15 Broiler Hatchery  
Milk Production
- 17 Cattle on Feed
- 20 Crop Progress—after 4 p.m.
- 21 Catfish Processing
- 22 Broiler Hatchery  
Cold Storage
- 24 Chickens & Eggs  
Livestock Slaughter
- 27 Agricultural Chemical Usage, Fruits  
Crop Progress—after 4 p.m.
- 28 Almond Production (Tent.)  
Peanut Stocks & Processing
- 29 Agricultural Prices  
Broiler Hatchery
- 30 Cherry Production (Tent.)  
Grain Stocks  
Hogs & Pigs  
Acreage

## Agricultural Economy

# News Watch . . .

### Nutrition Label Extension

The compliance date for the new federally mandated nutrition labels, which went into effect for most food products on May 8, may be extended. The Food and Drug Administration (FDA) Commissioner has indicated a willingness to work with Congress if it passes legislation to delay the compliance. A recently introduced bill would allow food packagers until August 18 to exhaust stocks of packages and labels manufactured before April 1.

The new nutrition labels were designed to assist consumers in making healthful food choices and in making it easier to see how a food fits into the overall diet. FDA and USDA estimate there would be significant benefits from the new nutrition labels even with limited consumer response (AO May 1994).

### "Bait Tubes" for Cotton Weevils

A new biological pest control strategy—a "bait tube" for weevils—will receive a large commercial field test this summer in Mississippi. The bait tube, invented by USDA scientists, will be used by about 20 cotton growers in an effort to replace insecticide sprays to control weevils on all 8,000 cotton acres in Noxubee County. Pheromones (sex attractants) are used to draw weevils to the tubes, which are coated with a small amount of insecticide. The tubes use only a fraction of the insecticide used in spraying.

Biological control and other strategies to reduce or eliminate pesticides have been receiving closer scrutiny for application in integrated pest management (IPM) in recent years. A new USDA study of integrated pest management, which incorporates nonchemical controls as well as more efficient use of pesticides, found that adoption has lagged for many biological control strategies (AO May 1994).

### Foreign Landownership Remains Small

Foreign interests owned 14.6 million acres, slightly more than 1 percent of privately held U.S. agricultural land, as of December 31, 1993, according to a new report by USDA's Economic Research Service (ERS). This percentage has held fairly steady since 1981. Acreage in foreign ownership in 1993 increased 1 percent—140,141 acres—from a year earlier.

Forest land accounts for almost half of the foreign-owned acreage (48 percent), followed by pasture (28 percent), and cropland (17 percent). The state with the largest foreign-owned acreage—mostly timberland—was Maine.

While the Federal government limits its regulation of foreign landownership to reporting requirements, 28 states have some type of law on landownership by foreign interests. The range of state laws includes outright prohibition, acreage or time limitations, and reporting requirements similar to Federal legislation (AO May 1993).

### USDA Food Safety Campaign

USDA launched a food safety education campaign in May, targeting children and parents across the U.S. Under this campaign, more than 2 million postcards containing a food safety message will be distributed by USDA agencies, including the Food and Nutrition Service and the Extension Service, joined by the National Association of School Nurses.

The food safety message on the cards cautions consumers to avoid eating hamburgers that are still pink in the middle. The postcard campaign is one of many that USDA is launching to educate the consumer about proper cooking and handling of meat and poultry products.

ERS has estimated that medical costs and productivity losses from disease caused by major foodborne pathogens are over \$5 billion a year (AO June 1993). In addition to promoting consumer education, USDA is undertaking a range of activities to improve food safety in slaughter and processing plants.

### Soil Conservation Progress

About 92 percent of the conservation plans for highly erodible cropland in the U.S. are being implemented on schedule by farmers, according to a recent assessment by USDA's Soil Conservation Service (SCS). Erosion on these lands will be reduced from an estimated 17.5 tons per acre in 1985 to 6 tons per acre annually when the plans are fully implemented—improving air and water quality, enhancing wildlife habitat, and helping to protect the long-term productivity of the nation's most vulnerable cropland.

The conservation compliance provision in the Food Security Act of 1985 requires farmers with highly erodible cropland to have an approved conservation plan on that land and to fully implement the plan by January 1, 1995, in order to maintain eligibility for farm program benefits. Conservation plans are in place for over 143,000 acres of highly erodible cropland. While this conservation provision and other compliance mechanisms can be effective if sufficient leverage exists, leverage in the form of commodity program payments may be eroding in the face of Federal budget constraints (AO November 1993). AO



## Commodity Spotlight



Current Events, Kailua-Kono, Hawaii

## U.S. Coffee Market Percolating Again

**W**orld market prices for coffee, the most popular beverage in the U.S. after soft drinks, have been moving up since January. If prices are sustained or move higher, it could mean a bigger trade bill for the U.S., and higher prices for consumers.

During January-March 1994, New York futures market prices averaged 81.8 cents a pound, up 6 percent from the previous quarter and 23 percent above January-March 1993.

While a small amount of coffee is produced in Hawaii, imports meet the bulk of U.S. demand. The upturn in prices reflects growing concern about supplies in key exporting countries such as Brazil, Colombia, and Mexico, declining stocks in importing countries, and the impact of a producers' export-retention scheme. Under this plan—which was in effect between October 1993 and April of this year—28 coffee-exporting countries, in-

cluding Brazil and Colombia, agreed to hold back 20 percent of export-market coffee as stocks in order to boost prices.

World coffee prices had been dropping—and importers building up stocks—since July 1989, when the International Coffee Organization (ICO) terminated export quotas. As coffee producers have turned to their own export-retention scheme, importers have been drawing down stocks. U.S. coffee stocks at the end of March 1994 totaled 7.2 million 60-kilo (132-pound) bags, down 28 percent from the record high last March.

For the first quarter of 1994 (January-March), total U.S. coffee imports (including ground soluble and roasted coffee) were 4.4 million bags valued at \$416.6 million. This translates into an aggregate unit import price of \$94.80 per bag, or 71.8 cents per pound. In contrast, U.S. coffee imports for the first quarter of 1993 totaled 5.83 million bags valued at \$450.3 million, with a unit import price of \$77.30 per bag or 58.4 cents a pound.

The bulk of annual U.S. coffee imports is green coffee, amounting to 93 percent of total import volume in calendar 1993. Imported green coffee is processed by coffee roasters before it enters the mar-

ketplace. U.S. roasters prefer to import green coffee in order to prepare special blends of coffees from around the world to achieve distinctive tastes associated with their brands. Processed roasted and instant coffees comprise the remaining small share of imports.

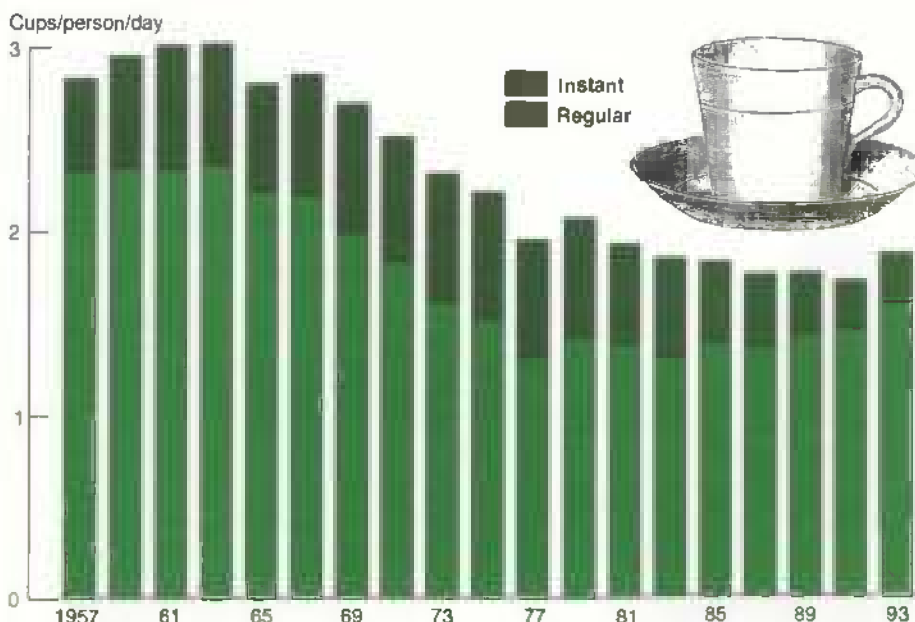
According to the U.S. Bureau of Labor Statistics, first-quarter 1994 retail prices of roasted coffee averaged \$2.52 per pound, up 4 percent from first-quarter prices a year ago. These higher coffee prices come at a time when U.S. coffee consumption has begun to pick up after several decades of declining usage.

### U.S. Coffee Consumption Staging a Comeback

Although overall U.S. coffee consumption and sales have increased modestly in recent years, the gourmet segment of the market has exhibited strong growth, reflected in the increasing number of coffee bars retailing specialty coffee across the U.S.

In 1993, U.S. per capita consumption of all coffee showed an upturn. Based on a National Coffee Association (NCA) survey, consumption averaged 1.87 cups per

U.S. Reverses Long-Term Downward Trend In Coffee Drinking

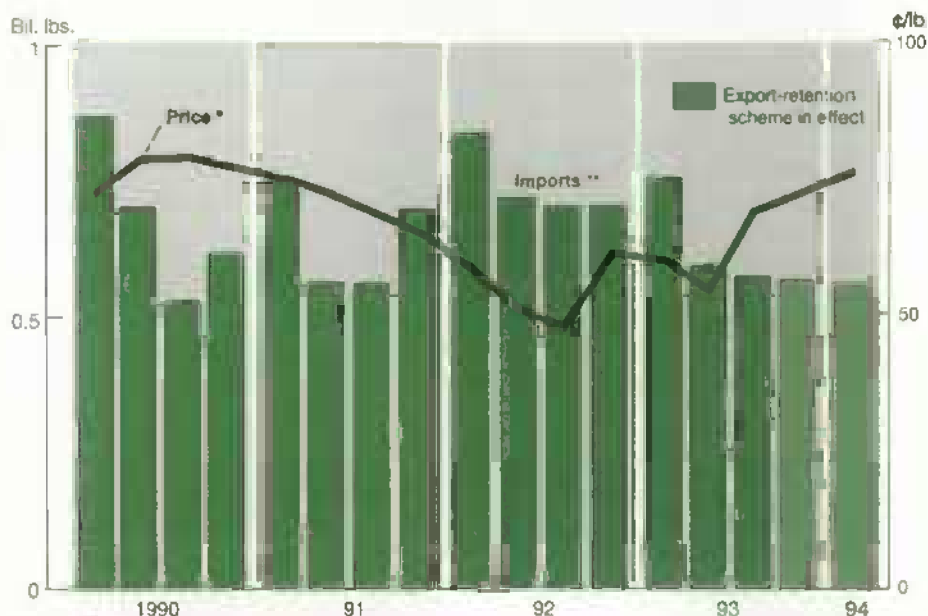


Regular and instant include decaffeinated.

Source: National Coffee Association, "Winter Coffee Drinking Study."

## Commodity Spotlight

### U.S. Coffee Imports Are Declining, Prices Rising



\* Composite green price, New York. \*\* Unroasted equivalent.

person per day, up 8 percent from the 1987-91 annual average, and up 7 percent from 1991 (no survey was conducted for 1992). Last year's upturn in U.S. consumption largely reflects the strong growth of the gourmet or specialty segment of the market.

However, 1993 consumption is still well below its peak of 1962, when use of all types of coffee totaled 3.12 cups per person per day. The long-term downward trend in coffee use reflects changes in American lifestyles and tastes.

In the early 1960's, nearly three-quarters of the U.S. population 10 years of age and older drank coffee. By the early 1990's, consumers in this group had fallen to just 51 percent. The NCA estimates that about 72 percent of U.S. coffee consumption is at home—51 percent at breakfast and 35 percent between meals. Another 18 percent is at the workplace, and most of the balance at "eating establishments."

The NCA estimates 1993 per capita consumption of regular coffee, the most popular type, at 1.61 cups, and decaffeinated at 0.28 cups. Instant coffee con-

sumption was 0.25 cups per person, down from its peak of 0.75 cups in 1974.

U.S. coffee sales in 1993 totaled \$3.2 billion, with regular coffee, including gourmet sales, at \$2.24 billion, and instant coffee at \$960 million. Forecasters expect specialty coffee sales to capture a third of coffee industry revenues in 1994, compared with 19 percent in 1989 and just 10 percent in 1983.

### Mexican Imports Growing in Importance

Coffee sales to the U.S. accounted for more than a quarter of global imports last year, and coffee represented 6.1 percent of total U.S. agricultural imports. U.S. imports of all types of coffee totaled 19.3 million 60-kilo bags in 1993 (valued at \$1.52 billion), down 27 percent from the previous 5-year average.

Three countries—Brazil, Colombia, and Mexico—supplied just over half of U.S. coffee imports last year. Brazil accounted for almost 21 percent, Colom-

bia and Mexico each supplied about 16 percent, and the remainder came from nearly 60 other countries.

Attention has focused on Mexico's coffee production and export potential this year for several reasons. First, unlike Colombia and Brazil, Mexico is not participating in the export-retention scheme. Second, the recent unrest in southern Mexico raised concerns earlier this year about possible impacts on the harvest and the flow of exports. About 60 percent of Mexico's total annual coffee production is exported, mostly to the U.S.

The bulk of Mexico's coffee production is in the states of Oaxaca, Veracruz, and Chiapas. Chiapas, which accounts for close to half of the country's production, is the area of the recent uprising against the national government, among indigenous people seeking land reform. According to the U.S. Embassy in Mexico City, coffee losses are expected to be minimal because the largest producing area in Chiapas—the Pacific coastal region—was little affected by the conflict. USDA's current forecast for Mexico's 1993/94 coffee production is 4.15 million bags, up about 9 percent from 1992/93.

However, the recent unrest in Chiapas has highlighted the problems faced by many small- and medium-sized Mexican coffee producers in the past several years—lower producer prices, lack of credit, and the inability to develop alternative crops. The Mexican government and coffee producer associations are working together to develop a new national subsidy program for small- and medium-sized growers. The government's objectives are to address the social problems caused in part by the severe economic crises faced by more than 250,000 small- and medium-sized coffee growers, and to maintain the export flow of coffee—which ranked fourth in value for Mexico's agricultural sector in 1993.

The volume and value of U.S. coffee imports from Mexico have generally been trending upward over the last 15 years. In 1993, U.S. coffee imports from Mexico totaled 3 million bags—valued at \$251 million—down slightly from the

## Hawaii's Output: Small but Growing

Hawaii is well known for its "Kona" coffee, grown in the rich volcanic soils on the western slopes of the "Big Island" (Hawaii). The demand for Hawaii's coffee is strong, and the product receives premium prices.

Hawaii is the only commercial producer of coffee in the U.S. For the 1993/94 season, Hawaii's total coffee production is estimated at nearly 18,000 bags, up from an average of 12,000 bags in the early 1980's, but still only a third of the peak output of the late 1950's and early 1960's. From the early 1960's through the early 1980's, Hawaii's coffee sector was in a state of general decline as low prices, increasing land values, and rising labor costs resulted in a shift to more profitable crops or land uses. This was especially true on the Kona coast of the island of Hawaii, the principal growing area.

Higher prices and heightened demand for quality coffee have led to a resurgence in production in the last several years. The 1989/90 season marked the return of the island of Kauai to commercial coffee production. Kauai's output is expected to increase sharply in the coming years as new plantings begin bearing fruit and young trees increase in productivity. The expansion of coffee production on Kauai was set back by damage from Hurricane Iniki in September 1992, but coffee officials report that production has now fully recovered.

Coffee acreage has also expanded on Maui and Molokai. A total of 4,800 acres are forecast to be harvested in Hawaii during the 1993/94 season, up 20 percent from last season, and the most coffee acreage to be harvested in 40 years.

According to the Hawaii Agricultural Statistics Service, the potential for future coffee production is high as newly bearing fields mature and are supplemented by even younger plantings. A record 7,000 acres is currently planted in coffee, second only to macadamia nuts among Hawaii's diversified agricultural crops.

Efforts are being made to promote and export Kona coffee to the growing specialty markets in Japan and the U.S. mainland. With the shortage of Jamaican "Blue Mountain" coffee, one of the world's premium types, demand for Kona coffee has picked up in the gourmet marketplace. Kauai's growers are marketing their product as "Hawaiian Supreme," to distinguish it from Kona coffee.

1988-92 period, but 50 percent higher than 1973-87. First-quarter 1994 imports from Mexico were 23 percent higher than the corresponding period in 1993, due partly to other major U.S. suppliers withholding coffee exports.

In contrast, first-quarter volume coffee imports overall in the U.S. were 25 percent below first-quarter 1993, due to the sharply higher coffee prices. However,

coffee imports are expected up for calendar 1994, and are expected to continue strengthening in coming years because of increasing consumer demand for specialty coffee. Imports from Mexico are likely to continue increasing, especially if Mexican growers can provide premium grades of coffee to the U.S. gourmet coffee market.

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## The "Exotic" Sector: Ostriches & Emus

Raising flightless birds that are not native to the U.S. is still considered an exotic agricultural enterprise in this country. But the raising of these animals for feathers, hides (leather), and meat is growing.

Ratites are flightless birds having a flat breastbone instead of the keel-like ones common to most flying birds. Two ratites of particular importance in the U.S. are ostriches and emus. Ostriches, native to South Africa, grow to 7 or 8 feet tall, and weigh as much as 450 pounds.

Emus, the Australian cousins of the ostrich, are slightly smaller than ostriches, but still grow to 5-6 feet and weigh 110-130 pounds. These two ratites' egg production begins between 18 months and 3 years of age, and birds are not usually slaughtered before reaching 18 months of age.

Most birds have thus far been raised for breeding purposes, and their prices are high, reflecting this use and, in some cases, yielding substantial profits to owners. An important question for current and potential bird owners is at what point the number of birds will be large enough that their price becomes tied to the value of the products these birds yield.

Domestic production is the primary source of ratites. South Africa, the only country which ever exported substantial numbers of ostriches, has prohibited the export of ostriches or ostrich eggs since 1959. And while the U.S. has allowed the import of ratites since 1990, quarantines are required. Although eggs can also be imported from approved overseas farms, hatchability has been low.

Ostrich farming has largely been a speculative venture for the last 100 years. In the late 1800's, wild flocks in South Africa were hunted nearly to extinction, due



## Commodity Spotlight

to the popularity of ostrich feathers in European and American fashion. By the end of the 19th century, ostrich farms were established in northern and southern Africa, Australia, southern Europe, and the U.S. to supply this fashion item.

Ostriches were introduced into the U.S. in 1882. Numerous ostrich farms were started in the late 1800's and early 1900's, mostly in Arizona and California. The number of birds in the U.S. peaked in 1914. South Africa exported a record 1 million pounds of feathers in 1913-14, from about 1 million birds on 1,300 farms. There were an additional 20,000 birds in the Northern Hemisphere.

However, the demand for feathers plummeted when World War I began. Ostrich farming became primarily a novelty in South Africa, the U.S., and a few other countries. The number of South African farms dropped to 52 by 1945, and annual feather exports by South Africa dropped to 3,000 pounds by the 1960's. In the U.S., bird numbers dropped to as few as 200-300 by 1920.

Beginning about 1960, South Africa's industry started to expand again due to increased world demand for ostrich leather. It has now revived to a profitable level, with 450 farms and around 225,000 birds. These farms supply meat, leather, and feathers to domestic and foreign markets. In addition, some ostriches provide tourist attractions.

In the U.S., the ostrich industry began to expand again around 1985. Currently, there are 40,000-60,000 ostriches in the U.S., with about 4,000-5,000 established breeder birds. Most ostrich farms are located in Texas and California, but there is at least one farm in every state. Estimates of emu numbers in the U.S. range from 75,000 to 100,000 on 5,000 farms, located mostly in Texas.

### **High Prices Reflect Breeding Value**

Recent trade articles have stressed the profitability of ostrich and emu farming in the U.S., along with claims of the health and nutritional benefits of the meat. Breeding pairs have reportedly

sold for \$50,000 or more during the past year. Breeding pairs typically lay 50 to 60 eggs a year, and over half of them will likely hatch, resulting in about 30 birds per pair, each bird valued at \$7,500.

These prices reflect breeding value and are much higher than the value of the meat and other products from the bird. A Pennsylvania State University study found that at these prices, producers can earn a \$3,300 profit if a male and a female are sold as a breeding pair, but could realize a \$16,000 loss if they are sold for slaughter.

The ostrich and emu industries are now in the breeder phase of development, with primary attention focused on expanding the number of birds to a level which would eventually support commercial production. In this phase, the price paid for birds reflects expectations of continued high prices based on the sale for breeding stock rather than for value of meat, hides, feathers, or oil, estimated to be about \$1,000 per ostrich. Consequently, only cull birds are generally slaughtered, providing a very small supply of salable products.

It is likely that at some point a market will develop for ratite products which will be large enough to support commercial slaughter of adult birds. How large an industry could be supported can only be conjectured at this time.

As more producers enter the breeding stock business, prices are driven up. But at some point, when a sufficiently large number of breeding animals is developed or new investors are no longer available, breeding stock prices will decrease. Prices should eventually drop to the level reflecting the slaughter value of the animal.

The large birds are currently so valuable that some have been stolen. As such, it is fairly common to insure them against theft and death. The annual insurance premium for an ostrich may be 10-12 percent of its value, driving up the cost of production.

### **Ratites Provide Feathers, Hides, & Meat . . .**

Although ratites are currently used mostly for breeding stock in the U.S., they can provide feathers, hides, and meat as well. Emus also produce an oil that is used for medical and cosmetic purposes.

Feathers were an important ostrich product many years ago for fashion and ornamentation, and they are currently being used in the electronics manufacturing process (since they are static free). An ostrich produces about 1.25 pounds of plumes every year, and about 2-4 pounds of feathers when slaughtered.

The current supply of feathers has a market. Feathers have been sold to designers for as much as \$150 per pound. Wing, tail, and back feathers, and those on the chest, can be used for feather capes. Emu feathers are somewhat less valuable than ostrich feathers, and ostrich and emu feathers are currently worth less than hides.

Ostrich hides are highly prized for making cowboy boots. The leather is unique, covered with bumps from the quills, and is reportedly 3-5 times more durable than cowhide. It can also be used for briefcases, handbags, and many other luxury and high-fashion items with high retail prices.

Each bird may provide 12-16 square feet of hide, selling for \$400-\$600 in the U.S. However, prices in the international market have been reported much lower, partially because of trade barriers. At least one industry source estimates that as more ostrich hides become available, prices in the U.S. may drop to \$200 or less per hide. Emu hides have uses similar to those of ostrich hides.

The fat from an emu's back can be reduced to an oil which currently sells for \$12-\$20 per ounce. The oil purportedly treats a variety of conditions from arthritis to burns, and is also used in cosmetics. An adult emu can yield 5-6 ounces of fat at slaughter.

## ... & Ostrich Meat Is Leaner Than Chicken

Ostrich meat is receiving increased attention as a marketable product because selected cuts are being sold for \$8-\$20 per pound at retail, much higher than prices for beef, pork, or poultry. The meat is now sold mainly through restaurants as a gourmet or novelty item.

Producers are seizing on the reported leanness and healthfulness of ostrich meat as a selling point. A project completed by Texas A & M University for the American Ostrich Association slaughtered 18 ostriches and took measurements of meat production and content. These measurements were compared with other meats using data from USDA's 1979 and 1990 nutrition handbooks for poultry and beef. Meat cuts from the ostrich were found to be lower in fat than beef or chicken, while cholesterol levels were about equal for ostrich, beef, and chicken. Iron in the ostrich cuts averaged slightly higher than beef, and well above chicken.

The same study found the average live weight of birds slaughtered was 211 pounds, which dressed out to 120 pounds. These carcasses yielded about 50 pounds of muscle and a total of about 75 pounds of lean meat.

In a blind taste test comparing ostrich cuts with a top loin steak, the beef steak scored slightly higher for palatability. While ostrich meat may have some nutritional advantages, it was slightly less preferred for taste and texture.

The relatively high prices for ostrich and emu meats are probably due to the small number of birds now being slaughtered and to the exotic nature of these meats. Consumers may be willing to pay more for a new taste experience than after the novelty has worn off.

## Risks of Entering The Industry

In the exotic animal industry, the market can change very quickly. Thus, potential entrants into the ratite business must confront several questions:

- When will the breeder phase draw to a close?
- What level of production will the demand for feathers, hide, meat, and emu oil support?
- Will the demand for these products increase uniformly or will the relative price for some of the products change more than for others?
- What is the real cost of producing these large birds?

In addition, certain unique risks are associated with entering large-bird production. The first involves the timing of the entry. If the breeder phase continues a few more years, it may pay to buy additional costly birds to produce more breeders. However, if the breeder phase is almost over and a high price is paid, a financial loss may occur when revenue must come from the sale of birds for slaughter.

The second risk deals with the longrun cost of production. If ratite farming continues to expand, the cost of raising the birds must eventually equal the revenue that can be obtained from the sale of slaughtered birds, plus normal returns to management and ownership. This will result in the ultimate decline in prices of breeding stock.

In South Africa, for example, some breeding pairs have reportedly sold for \$500. Since ostriches begin breeding at 2 or 3 years of age and continue for 35 years or more, certainly some premium will continue to be paid for a breeding pair that can produce 20 or more chicks per year.

Finally, the demand for products will not be known until substantial numbers of birds are sold for slaughter. When the market for ostrich and emu hides or for meat or feathers moves from the specialty market to one of ample supplies purchased on a competitive basis, the market-clearing price may be substantially lower than current prices. This price, and the cost of raising the birds, will determine whether producing birds for slaughter is profitable for an individual enterprise.

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## Upcoming Reports from USDA's Economic Research Service

The following reports or summaries will be issued at 3 p.m. ET on the release dates shown.

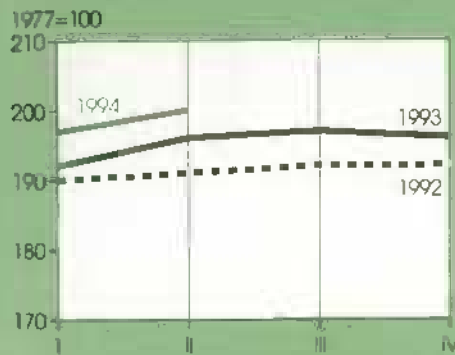
### June

- 2 Agricultural Income & Finance\*
- 10 Cotton & Wool Update
- 13 Feed Update
- Oil Crops Update
- 14 Tobacco\*
- 15 Industrial Uses of Ag. Materials\*
- Western Hemisphere\*
- 16 Sugar & Sweeteners\*
- 17 Agricultural Outlook\*
- 21 Dairy Outlook
- 22 Livestock, Dairy & Poultry
- 23 U.S. Agricultural Trade Update

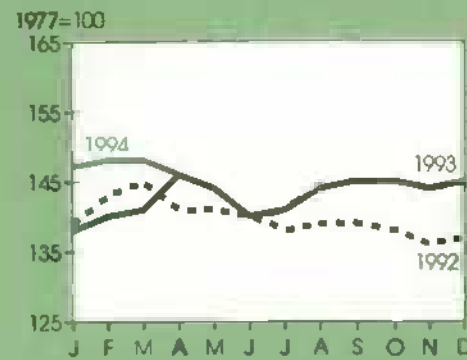
\* Release of summary

## Prime Indicators

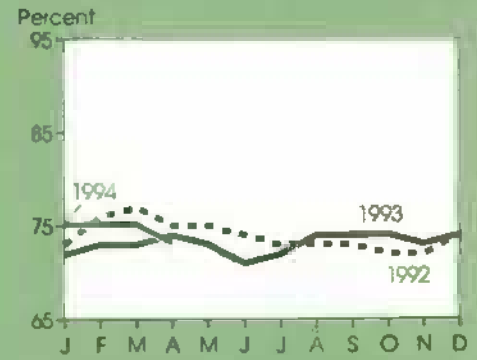
**Index of prices paid by farmers**



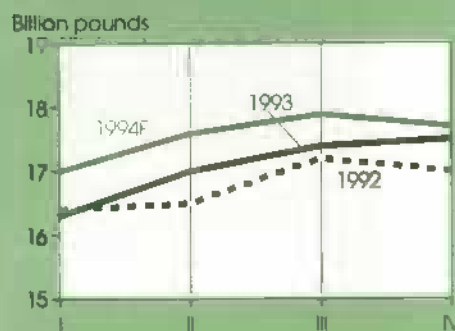
**Index of prices received by farmers<sup>1</sup>**



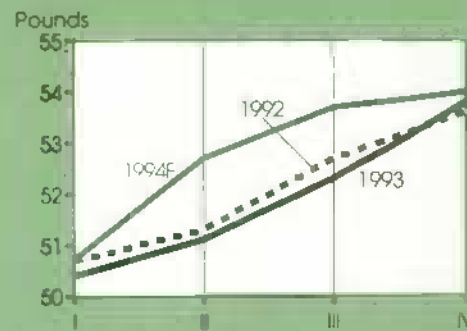
**Ratio of prices received/prices paid**



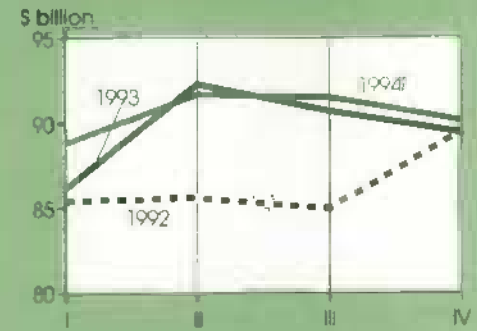
**Total red meat & poultry production<sup>2</sup>**



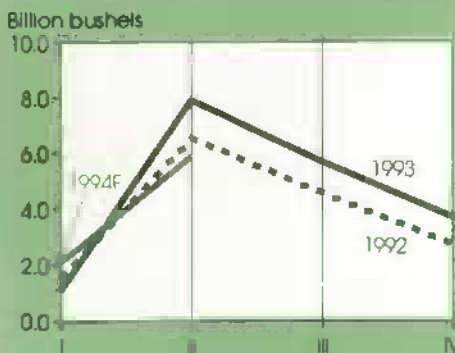
**Red meat & poultry consumption, per capita<sup>2,3</sup>**



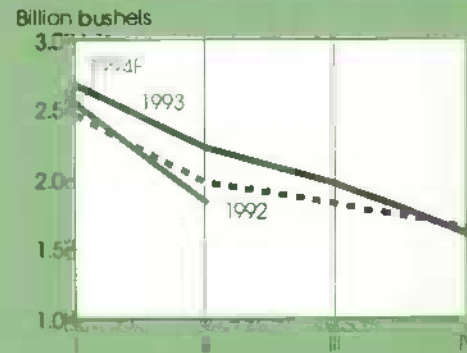
**Cash receipts from livestock & products<sup>4</sup>**



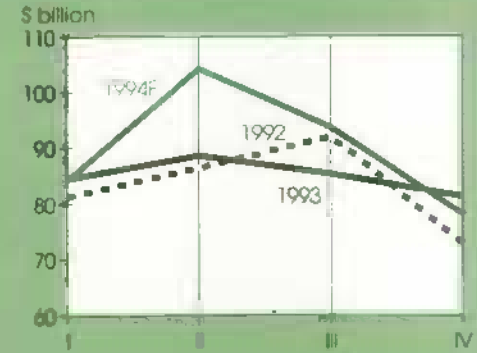
**Corn beginning stocks<sup>5</sup>**



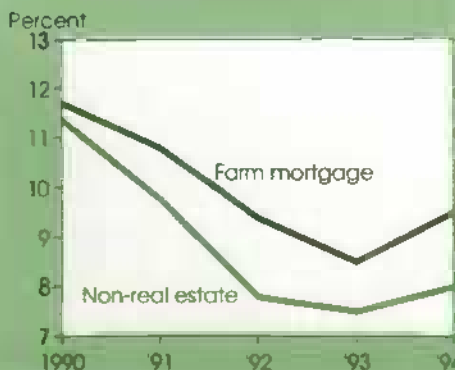
**Corn disappearance<sup>5</sup>**



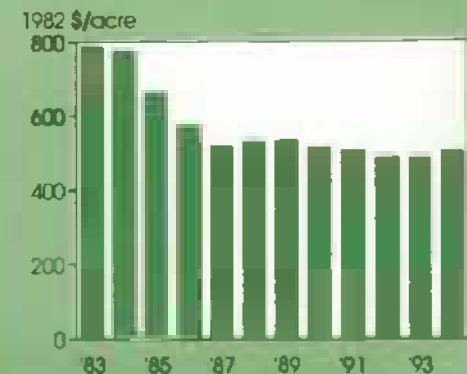
**Cash receipts from crops<sup>4</sup>**



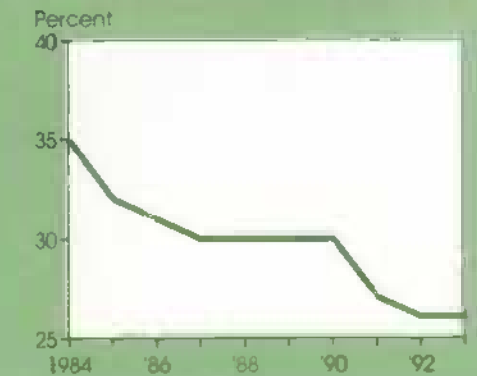
**Farm loan interest rates**



**Average real value of farm real estate**



**Farm value/retail food costs**



<sup>1</sup> For all farm products. <sup>2</sup> Calendar quarters. Future quarters are forecasts for livestock, corn, and cash receipts.

<sup>3</sup> Retail weight.

<sup>4</sup> Seasonally adjusted annual rate. <sup>5</sup> I=Sept.-Nov.; II=Dec.-Feb.; III=Mar.-May; IV=June-Aug. Marketing years ending with year indicated. F=forecast.



## World Agriculture &amp; Trade



Port of New Orleans

## The Western Hemisphere: A Future Trading Bloc?

New trade policies are rapidly restructuring world markets, and outlines are emerging for three regional trading blocs: Europe/Middle East/Africa; Asia and the Pacific Rim; and the Western Hemisphere. Around the globe, both GATT and unilateral economic policies are reducing or eliminating tariffs and other barriers to trade, paving the way for expanded trade and greater economic growth.

In the Western Hemisphere, subregional trade groups are developing which could lay the foundation for a hemispheric trade accord encompassing the U.S., Canada, and Latin America and the Caribbean. At the same time, most Latin American and Caribbean countries are combining market-oriented economic reforms with trade liberalization to improve competitiveness, attract foreign investment, and promote growth.

U.S. exports within the Western Hemisphere are growing at a faster rate than U.S. exports to the rest of the world. The

Western Hemisphere has a combined Gross Domestic Product (GDP) of \$7.2 trillion, representing 31 percent of global income, and with 740 million consumers, accounting for 14 percent of the world's population. Latin America alone has a population of 449 million and a GDP of over \$1 trillion.

Trade within the hemisphere is significant, totaling about \$720 billion in 1992, or about 40 percent of world trade. The InterAmerican Development Bank forecasts trade within the hemisphere to grow 4.2 percent annually, in real terms, over the next decade.

The U.S. and the rest of the Western Hemisphere are major exporters of agricultural commodities, exporting almost twice as much as they import. Total agricultural trade between the U.S. and other Western Hemisphere countries—imports and exports combined—was \$24.9 billion in 1993, accounting for almost 37 percent of total U.S. agricultural trade. With the emergence of regional trading blocks, these numbers would likely increase as tariff and nontariff barriers to trade are eliminated.

Latin America and the Caribbean comprise the second-largest regional market for U.S. farm exports after Asia, and are

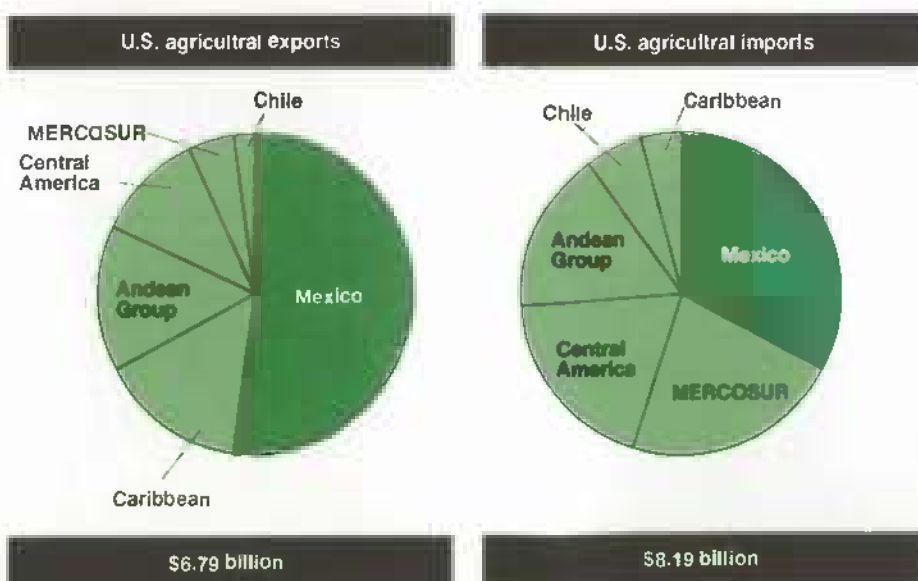
the largest source of U.S. agricultural imports. The U.S. ships about one-fourth of its agricultural exports to countries in the Western Hemisphere and receives over one-half of its agricultural imports from the region.

### Latin America Pursues Economic Reform

Agricultural policies and, more fundamentally, policy goals, have changed dramatically in Latin America over the past decade. For over 40 years, governments in Latin America intervened in markets to replace imports with domestic products to promote economic growth. In the early 1980's, the external debt crisis, high domestic inflation, and a sharp decline in international prices of the region's principal agricultural exports forced most Latin American countries to reform trade policies and adopt more market-oriented economic policies.

Between 1980 and 1985, all Latin American and Caribbean countries experienced negative economic growth. By 1987, real per capita incomes had declined to the levels of the early 1970's or before. In addition, several countries in the region experienced serious political and social tensions adversely affecting the in-

#### Mexico Is the Largest U.S. Agricultural Trading Partner in Latin America



1993 data.

## World Agriculture & Trade

### U.S. and Canada Have Preferential Trade Programs in Place in the Western Hemisphere

Program	Year established	Objective	Members
Canada-Caribbean Commonwealth Program	1986	Duty-free access of commodities into Canada	Canada & 19 Caribbean Commonwealth countries
Caribbean Basin Initiative	1984	Preferential trade status for commodities exported to U.S.	U.S. & 24 Caribbean & Central American countries
Andean Trade Preference Act	1991	Encourages production of nondrug crops by providing duty-free access into the U.S. for selected commodities	Bolivia, Colombia, Ecuador, Peru

vestment climate. Beginning in the early 1980's, several Latin American countries pursued policies aimed at deregulating and privatizing their economies.

Since the mid-1980's, Mexico has instituted major economic reforms. The government has tightened fiscal and monetary policy, relaxed foreign investment regulations, eliminated foreign exchange controls, privatized public enterprises, changed the land tenure system, reduced agricultural subsidies, and substantially liberalized trade policies.

Chile has one of the Western Hemisphere's most successful records on policy and trade reform, having adopted market-oriented economic policies nearly two decades ago. In the mid-1970's, Chile embarked on a series of macro-economic, sectoral, and trade reforms designed to increase the market orientation of its economy, stimulate private investment, and expand exports.

In mid-1989, the demise of the International Coffee Agreement significantly reduced the international price of coffee, a major export of Colombia. The subsequent slowdown in economic growth, and rising inflation, pushed Colombia toward more market-oriented policies. The government introduced a comprehensive structural economic reform program, the cornerstone of which was the acceleration of trade liberalization.

Since 1990, Venezuela and Peru have made notable progress in lowering barriers to trade, reducing overall tariff rates and cutting the number of commodities

subject to import licensing. Bolivia initiated a reform process in 1985 eliminating price controls on all traded commodities except sugar. Since 1990, Brazil has been eliminating restrictive import-licensing practices and other nontariff barriers, such as import quotas, and privatizing its industries; however, progress has been slow.

In 1989, Argentina initiated measures to stabilize its economy, privatize government-owned enterprises, reduce tariffs and domestic purchasing requirements, and eliminate export taxes. Although not all of these goals have yet been achieved, Argentina's economy has shown stronger economic growth this decade.

Costa Rica and Guatemala have made the most progress among Central American countries in designing and implementing concrete trade liberalization measures. El Salvador initiated a comprehensive reform program in 1989 to place its economy on a trade-oriented growth path. Policies included tax reforms, tariff reductions and unification, and more flexible exchange rate management.

Capital is returning to Latin America and the Caribbean, attracted by relaxed investment regulations, a more stable political and economic environment, and growth-oriented economic policies. From 1989 to 1990, capital inflows in the region increased from \$4 billion to \$14 billion, contributing to stronger economic growth thus far in the 1990's than achieved during the previous decade.

While recovery is well underway in some countries, economic growth is still very slow in others. If current reforms

continue, real economic growth could average 4-5 percent annually for Latin America and the Caribbean in the 1990's, a substantial improvement over the 1.8-percent average annual growth of the previous decade.

### Trade Integration Is Accelerating

Economic integration is not a new concept in Latin America. Despite the "import substitution" policies of many countries, other countries in the region became increasingly aware of the benefits of regional trade blocs. Some countries in the region have formed "trade blocs," either at a subregional level or with individual countries in the Western Hemisphere to promote trade.

Colombia, Ecuador, and Venezuela implemented a customs union in 1948; Argentina signed trade agreements with Chile, Paraguay, Bolivia, and Peru in 1954; and the countries of Central America and the Caribbean negotiated several bilateral trade agreements during the 1960's. Although most of these arrangements were short-lived, they set precedents for later proposals.

Trade liberalization leading to economic integration within the Western Hemisphere is currently proceeding at a rapid pace. Initiatives include agreements among groups of countries as well as numerous bilateral arrangements for regional economic cooperation. Four of the current trade initiatives in the Western Hemisphere involve the U.S.: the North American Free Trade Agreement (NAFTA), the Enterprise for the

## World Agriculture &amp; Trade

Americas Initiative (EAI), the Caribbean Basin Initiative (CBI), and the Andean Trade Preference Act (ATPA).

The U.S.-Canada Free Trade Agreement, enacted in 1989, was expanded under NAFTA to include Mexico. NAFTA, which went into effect on January 1, 1994, sets a maximum of 15 years to phase out barriers to agricultural trade among the three countries. Also, each country now permits duty-free access to a portion of its market for certain highly protected commodities, including corn, dry beans, and poultry in Mexico, and fruits and vegetables in the U.S.

Encouraged by the successful completion of NAFTA, Chile, Venezuela, Colombia,

Argentina, and Brazil are pursuing membership into an expanded NAFTA, and most other Latin American countries have shown an interest in participating. Eligibility for membership in an expanded NAFTA include: dismantling of tariff and nontariff barriers to trade, stable monetary and fiscal policies, removal of barriers to foreign investment, and a democratic form of government.

The EAI, an economic initiative announced in June 1990 by the U.S., supports a hemisphere-wide free trade zone and is intended to encourage trade liberalization, reduce developing country debt, and increase foreign investment in developing countries in the Western Hemisphere.

Both the U.S. and Canada have implemented trade preference programs for Latin America. The U.S. implemented two trade preference programs. The first, the Caribbean Basin Initiative (CBI), was started in 1984 and includes the 24 countries of the Caribbean and Central America, which receive tariff preferences from the U.S. through the Generalized System of Preferences (GSP).

The second, the Andean Trade Preference Act (ATPA), was authorized in 1991 to curtail drug production in certain Latin American countries by increasing output of other crops. Due to expire in 2001, the act was implemented in July 1992 for Bolivia and Colombia, in April 1993 for Ecuador, and in August 1993

## Western Hemisphere Trade Integration is Proceeding

	Year established	Objective	Members
Andean Pact	1969	Promotes economic integration and free trade among members	Bolivia, Colombia, Ecuador, Peru, Venezuela
Caribbean Community and Common Market	1973	Fosters free trade among member countries	The Bahamas, Barbados, Belize, Guyana, Jamaica, Trinidad & Tobago, Leeward & Windward Islands
Central American Common Market	1960	Creates a common market among member countries	Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua
Enterprise for the Americas Initiative	1990	Supports a hemisphere-wide free trade zone and encourages trade liberalization, reduction in developing country debt, and greater foreign investment	U.S.; Latin American & Caribbean countries
Group of Three	1990	Coordinates trade policy & liberalization among member countries	Colombia, Mexico, Venezuela
Latin American Integration Association	1980	Promotes freer trade among member countries through preferential tariffs	Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, Venezuela
MERCOSUR	1991	Created to establish a customs union and free trade among members by 1995	Argentina, Brazil, Paraguay, Uruguay
North American Free Trade Agreement	1994	Creates free trade zone by phasing out tariffs and other trade barriers	Mexico, Canada, U.S.
Northern Commercial Triangle	1992	Free trade agreement within Central American Common Market (to be implemented)	El Salvador, Guatemala, Honduras



## World Agriculture & Trade

for Peru. ATPA countries receive duty-free access to the U.S. for some 2,100 products added to those already entering freely under the GSP.

In 1986, Canada announced the Canada-Caribbean Commonwealth program (CARIBCAN), to provide duty-free access into Canada for commodities produced in 19 Commonwealth countries and territories.

### Subregional & Bilateral Pacts

In addition to the U.S. and Canadian trade preference programs, the Latin American and Caribbean countries have initiated a number of agreements among blocks of countries, as well as bilateral arrangements. Many Latin American countries view subregional trade integration as a step towards greater global competition, allowing firms based in small domestic markets to grow and realize economies of scale in serving larger markets.

The Caribbean Community and Common Market (CARICOM), which consists of Caribbean countries formerly under British rule, has set 1995 as the target date for a single market. These countries plan to reduce their common external tariff from 45 percent to 20 percent by 1998.

Other significant subregional agreements between Latin American countries include the Latin American Integration Association (ALADI), the Andean Group (also known as the Andean Pact), the Central American Common Market (CACM), the Southern Cone Common Market (MERCOSUR), and the recently announced Group of Three.

The countries comprising ALADI, also known as the Montevideo Treaty, are Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela. Formerly the "Latin American Free Trade Association," ALADI was established in 1980 to promote freer regional trade with preferential tariffs and quota agreements for member countries. However, lack of

agreement over regional and individual country priorities has hampered its success thus far.

The Andean Pact (initially Bolivia, Colombia, Ecuador, Peru, and Venezuela), or "Cartagena Agreement," was formed in 1969 and revived in the early 1990's following years of political and economic problems. Current discussions on the revival of the Andean Pact focus on the establishment of a common external tariff among members, tariff reductions, macroeconomic policy harmonization, and full reintegration of Peru, which left the act in 1992 over disagreement on tariff levels.

In 1993, the average external tariff of all Andean Pact member countries, including Peru, was reduced to 13.6 percent from a record 41 percent in 1990. Trade among the Andean Group increased 18 percent that year, to \$2.1 billion, the largest annual increase since the group was formed.

The Central American Common Market (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) has set regional tariff preferences ranging from 5 to 20 percent, with a 15-percent common external average tariff. A free trade agreement was signed by El Salvador, Guatemala, and Honduras in 1992 (the Northern Commercial Triangle), but has yet to be implemented. Nicaragua and Costa Rica are expected to join this year.

An economic agreement signed by Argentina and Brazil in July 1986 was expanded in 1991 to include Paraguay and Uruguay, resulting in the Southern Cone Common Market—MERCOSUR. This is the largest regional trade agreement in Latin America and the Caribbean, involving 44 percent of the region's population and accounting for 51 percent of the region's GDP. The MERCOSUR countries have set a goal of a customs union and free trade among themselves by 1995.

Since the establishment of MERCOSUR, trade among member countries has increased rapidly. In 1993, trade within the MERCOSUR countries increased 32 percent from 1992, while trade between

MERCOSUR countries and the rest of the world expanded 12 percent.

The Group of Three was established in 1990 as a mechanism for policy coordination among Mexico, Colombia, and Venezuela. The Group finalized negotiations for a trade agreement in December 1993 which is expected to be implemented in 1995. The three countries agreed to phase out tariffs on 60 percent of agricultural products within 10 years. The Group of Three is also negotiating trade agreements separately with Central America, CARICOM, and Cuba to form a new group, the Association of Caribbean States (ACS).

Although scheduled for signing in January 1994, the Group of Three trade agreement is experiencing some difficulties. Most importantly, members have yet to agree on the tariff rate or a tariff reduction schedule for selected agricultural commodities under a framework similar to ALADI.

The U.S. has supported these subregional trade blocs and has expressed a clear preference for negotiating trade agreements with groups of countries rather than individually. A U.S.-MERCOSUR agreement was signed in 1991 with the goal of eliminating barriers to trade and investment with the U.S. Discussions are underway with the Caribbean Community on a similar multilateral agreement.

The U.S. does not rule out bilateral negotiations, and has signed similar agreements with Bolivia, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, Venezuela, and Peru. Bilateral agreements between several Latin American countries signed in the last decade include partial free trade arrangements, reciprocal investments, and industrial cooperation. Currently, there are 23 bilateral agreements between countries in Latin America and Caribbean.

### Western Hemisphere Is Major U.S. Market

Canada and Mexico are the two largest U.S. agricultural export markets and import suppliers in the Western Hemisphere. The U.S. exports feed grains,

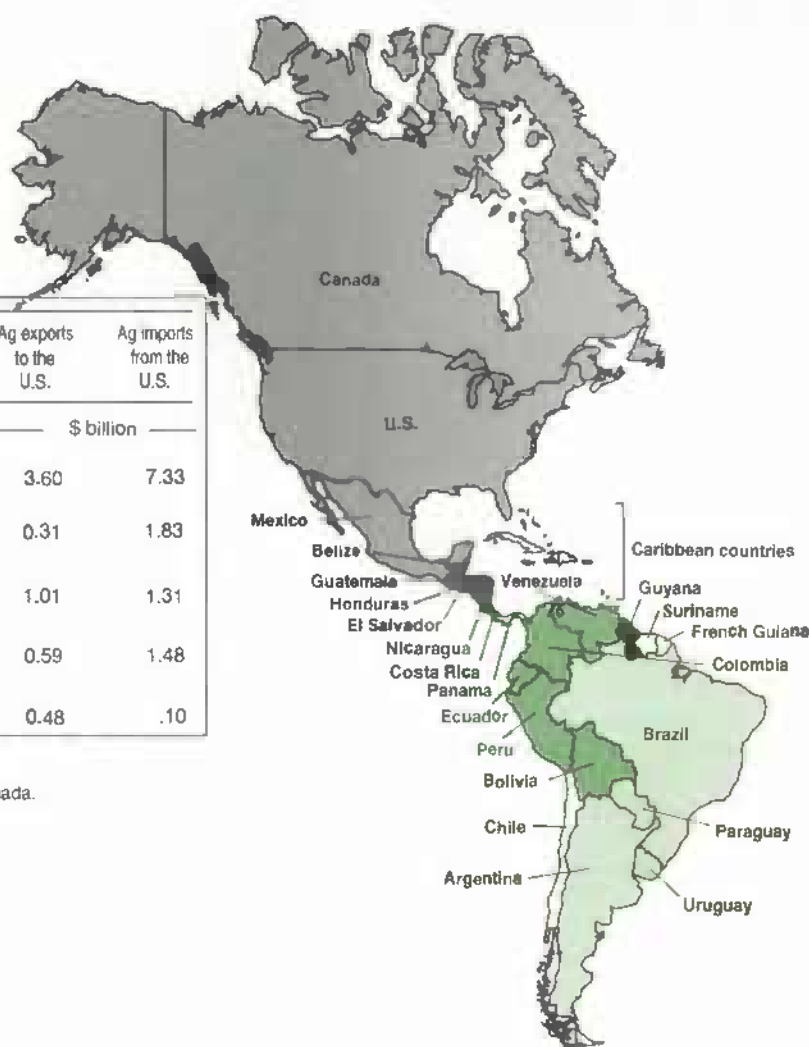
## World Agriculture &amp; Trade

Major Western Hemisphere Trade Blocs  
Form Multimillion-Dollar Ag Markets

Trading bloc	Population	Gross Domestic Product (GDP)	Per capita GDP	Ag exports to the U.S.	Ag imports from the U.S.
	Million	\$ billion	\$	— \$ billion —	— \$ billion —
North American Free Trade Agreement*	376	6,816	15,533	3.60	7.33
MERCOSUR	198	498	2,588	0.31	1.83
Andean Group	96	151	1,434	1.01	1.31
Central American Common Market	29	32	1,175	0.59	1.48
Caribbean Community and Common Market	6	15	3,743	0.48	.10

1993 data.

\*In effect January 1994. Trade data refer to U.S. trade with Mexico and Canada.



wheat, pulses, oilseeds and products, sugar, seeds, deciduous fruits, cattle, beef, veal, pork, poultry, and dairy products to countries in the Western Hemisphere. Since 1980, the U.S. has been increasing the proportion of high-value agricultural exports (products receiving some additional processing or added value beyond the farm gate) to the Western Hemisphere. These include livestock and dairy products, live animals, processed grains and oilseeds, and fresh fruits and vegetables.

The U.S. also receives over half of its agricultural imports—\$13 billion in 1993—from the Western Hemisphere. Canada and Mexico ship animals, animal products, vegetables, and some tropical products to the U.S. The Andean Group, primarily Colombia, exports bananas, coffee, and cut flowers to the U.S. MER-

COSUR countries ship coffee, cocoa, beef, veal, fruit juices, and unmanufactured tobacco to the U.S.

The remaining countries of the hemisphere export bananas, fruits, coffee, sugar, and sugar products to the U.S. The Western Hemisphere is also an important U.S. source of fruits for the winter market, for processed foods, including tomato paste, and for beverages, such as fruit juices and beer.

The U.S. generally runs an agricultural trade surplus with Canada, Mexico, and Venezuela and a trade deficit with the Andean Group, MERCOSUR, and Chile. In 1993, the largest U.S. agricultural trade deficits were with Brazil, Colombia, Costa Rica, and Chile, primarily due to large U.S. imports of tropical products, such as coffee and cocoa.

Patterns of intraregional trade differ widely. Mexico and the Central American countries purchase close to three-fourths of their agricultural imports from the Western Hemisphere, and ship more than 80 percent of their agricultural exports within the region. Venezuela ships more than half of its agricultural exports within the Western Hemisphere and obtains over three-fourths of its agricultural imports from the region.

In contrast, the U.S., Canada, Argentina, Paraguay, and Uruguay are less dependent on the Western Hemisphere for export markets, selling on average less than a third of their agricultural goods within the hemisphere. For both Colombia and Brazil, the Western Hemisphere accounts for less than one-fourth of agricultural exports and imports.

## World Agriculture &amp; Trade

## Environment &amp; Resources

## Trade Integration Promotes Growth

For Latin America, a hemispheric partnership means greater access to markets, particularly in the U.S. The importance of this partnership is not so much in the lowering of tariffs, since the U.S. already extends tariff preferences for several commodities to most Latin American countries under the GSP, but in the removal of nontariff barriers to trade. Almost two-thirds of Latin America's agricultural exports are subject to nontariff barriers to trade.

Trade agreements will also have macroeconomic effects since the enhanced ability to attract foreign capital, associated with more open economies and freer trade, will promote economic growth in Latin America. In addition, trade integration and policy reforms in the Western Hemisphere could lead to new trade patterns in the region.

As these developments take effect, growing incomes in Latin America and the Caribbean, coupled with increasing demand for greater volume and variety of processed foods from the U.S., will spur agricultural trade and boost U.S. exports of high-value products. In addition, subregional trade groups could facilitate a hemispheric trade accord that includes the U.S. by reducing the number of negotiating partners and harmonizing trade policies and practices.

In the wake of trade liberalization and economic reform during the last decade, exports from Latin America and the Caribbean are increasing, but their imports are growing even faster. This trend will likely continue as integration progresses, expanding market opportunities for the U.S. Demand in Latin America and the Caribbean for agricultural products could grow rapidly, perhaps outstripping what the subregion itself can supply. [Constanza Valdes and John Link (202) 219-0689] **AO**



Agricultural Research Service

## Impacts of The Rio Biodiversity Treaty

**T**he loss of tropical habitats to deforestation has led the international community to consider the immense potential value of the genetic resources these areas provide. The Rio Biodiversity Treaty, signed by United Nations delegates in 1992 and currently up for ratification in the U.S. Congress, was designed to foster the preservation and equitable use of genetic resources worldwide.

U.S. plant breeders are concerned about two major aspects of the treaty. Article 15 of the treaty recognizes the sovereign rights of states over their natural resources, and indicates that the authority to determine access to genetic resources rests with the national governments. Developing countries formerly provided free access to their genetic resources—including seeds and other germplasm from varieties that farmers develop as well as from the crop ancestors of such varieties. Now they may charge for these resources. This has generated concern among breeders that the international

exchange of germplasm will diminish, leading to a decline in the rate of varietal improvement.

The second aspect of the treaty that alarms breeders calls for the equitable sharing of technologies developed from one country's genetic resources and another nation's technical expertise. Plant breeders have argued that the treaty could violate plant patenting laws, known as plant breeders' rights, by granting the Third World free and full access to proprietary seeds.

These comprehensive changes in the system of exchange of genetic resources resulted from an ongoing controversy that began in the early 1970's when multinational seed companies began capitalizing on increasingly lucrative seed markets in developing countries. The companies would acquire elite public breeding materials, which have been bred to contain desirable characteristics, from International Agriculture Research Centers. These internationally funded organizations collect raw genetic resources—ancestors of commercial crop varieties—and breed seed varieties suitable to tropical environments in developing countries.

The seed companies would then adapt the seeds to profitable local markets through further breeding and would sell these new varieties. In essence, the system allowed breeders to gain property rights to the varieties they released, but excluded farmers in developing countries from making similar claims. Developing countries then became aware that they were freely providing genetic materials that seed companies were using to create a commercial product.

U.S. breeders have profited in two ways from the use of genetic traits from developing countries. One is that U.S. breeder lines—enhanced breeding material containing readily transferrable genetic traits—were adapted largely from germplasm originally found in developing countries. For example, the progenitors of the wheat, corn, and rice varieties grown in the U.S. come from the Middle East, Mexico, and East Asia.



Second, breeders still rely on new infusions of genetic traits from these crop ancestors to build in resistance to ever-evolving plant pests and pathogens. In fact, almost every plant species of major economic importance to the U.S. has been improved with germplasm from elsewhere. For example, the genes that provide resistance to yellow dwarf disease in barley, obtained from a Turkish landrace, have been worth \$150 million per year to U.S. farmers. These examples indicate the value of infusions of exotic germplasm, yet the developing countries, the primary sources of this material, have received no share of the seed revenues.

### ***Previous Agreements Were Ineffective***

Developing countries argue that the international system of exchange is unjust, rewarding breeders for their efforts but ignoring the contribution of farmers in developing countries in collecting and selecting the best raw germplasm over hundreds of years. These countries' delegates to the Food and Agriculture Organization (FAO) of the United Nations assert that these genetic resources are not only valuable, but those that fall within a country's borders are the property of that country. The delegates contend that their resources should not be distinguished from elite germplasm, and that, just as developing countries have provided their germplasm free, breeders from industrialized nations should make their elite crop varieties available as well.

Plant breeders from industrialized nations have balked at such proposals. According to the U.S. seed industry, breeders spend millions of dollars annually to develop new commercial varieties and must charge for their seeds to protect their investments. Some plant breeders have argued that raw genetic resources, on the other hand, should be free because:

- it costs developing countries nothing to provide the raw germplasm;
- naturally occurring plants are the common heritage of humanity and should not be privatized; and

- raw genetic resources have no worth until breeders screen and breed new varieties.

Numerous attempts have been made to settle the dispute. Previous attempts in the late 1980's at the FAO and Keystone Center resulted in the passage of various nonbinding agreements—including one for a farmers' rights system. Under this system, the contribution of traditional farmers to plant breeding is acknowledged by creation of an international fund to support genetic resource preservation. But this system does not compensate farmers directly, unlike a breeders' rights system. The system so far has been ineffective because contributions to the fund, estimated to require \$300 to \$500 million annually, have been insignificant.

The 1992 United Nations Convention on Biological Diversity and the resulting treaty are the latest efforts to resolve the controversy. The treaty is intended to conserve biological diversity, promote sustainable use of species, and encourage the equitable sharing of resulting benefits. The treaty grants developing countries private rights to their genetic resources collected after ratification, and encourages users of plant genetic resources to share with developing countries the benefits of any resulting technology, including new crop varieties. The sharing of benefits would be done on mutually agreeable terms and in ways that respect intellectual property rights on those technologies.

The Rio treaty differs from previous multilateral agreements by advocating a system of genetic resource transactions that would directly compensate—in the form of technology transfer or monetary payments—the country that supplies genetic resources.

### ***Little Impact Likely On U.S. Plant Breeders***

Primarily because the treaty grants property rights on only a small portion of the potentially valuable germplasm—the newly collected material—it is not likely

to have a great impact on breeding activities in the U.S. Breeders may continue to access the vast majority of germplasm freely.

How important is the newly collected material to which developing countries will have property rights? Two key factors indicate that the newly collected material is of little importance relative to previously collected material when breeding new varieties.

First, breeders create most seed varieties from materials to which developing countries have no property rights. Breeders of principal crops use germplasm mainly from their own working collections, or acquire it from other breeders, botanists, or geneticists; the germplasm has already been enhanced and configured for plant breeding purposes. Both private and public breeders maintain that the vast majority of developing countries' germplasm is of limited commercial adaptability, and plays a minor role in routine plant breeding. Statistics indicate that only a small percentage of breeding material and released varieties is from exotic germplasm.

The second factor is that when the seed market demands genetic traits that are unavailable from breeders' conventional sources, it can draw from the international seed banks which have a vast, free supply of underutilized germplasm. For major crops, 75-90 percent of the landraces upon which modern high-yielding varieties are based have already been collected and stored in gene banks.

It would be difficult for a seed company to justify the purchase of newly collected germplasm unless genetic traits it was seeking were unavailable in the gene banks. Indeed, experts estimate that the current supply of germplasm in the seed banks of CGIAR (the Consultative Group on International Agricultural Research established by the FAO and the World Bank) will be adequate for the seed industry's needs over the next 20 to 50 years.

There are likely to be exceptions. For example, soybeans, which command an estimated 13 percent of public breeding effort and 14 percent of private, are not

## Environment & Resources

as well represented as other major crops in international seed banks. In fact, only 60 percent of known soybean landraces have been collected. While experts believe there is adequate genetic diversity for soybeans in existing gene banks, breeders may be more likely to require newly collected soybean germplasm to breed improved varieties.

A third major reason the treaty will have a limited impact on U.S. breeders is that developing countries generally do not have the technical expertise to market their germplasm. Breeders require documentation of the utility of the genetic traits and the ease by which these traits can be transferred to commercial seed stock. Given the poor conditions of most public breeding programs in developing countries, it is unlikely that these countries will be able to effectively market their resources in this way. Thus even if a country has rare germplasm, breeders—though perhaps willing to pay—are unlikely to know of its value and will not demand the germplasm.

Finally, concern among breeders that the treaty's provisions governing technology sharing may inadequately protect breeders' rights could be unwarranted. The treaty stipulates that technology sharing must be done in ways mutually agreed upon and that honor intellectual property rights. In addition, the State Department has made U.S. interpretation of this treaty a condition for ratification.

On the critical issue of technology transfer, the U.S. interpretation is that any access to and transfer of technology must be consistent with adequate and effective protection of intellectual property rights. The U.S. also makes clear that any transfer of technology must be done on terms voluntarily agreed to by all parties to the transaction. In this way the U.S. has clearly indicated to all other countries that the treaty cannot be used to unilaterally impose terms or obligations on any country regarding technology transfer. In fact, given the U.S. interpretation, the treaty can be seen as an instrument that may strengthen global protection of breeders' rights, thereby benefiting the U.S. seed industry as it seeks to enter growing markets in developing countries.

[Peter Condon (202) 219-0426] AO

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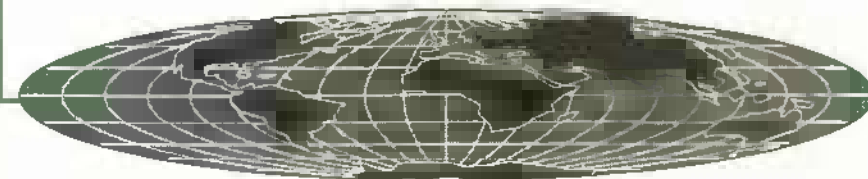
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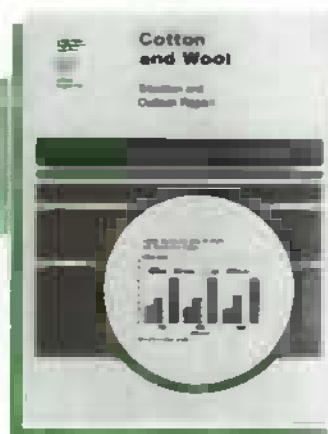
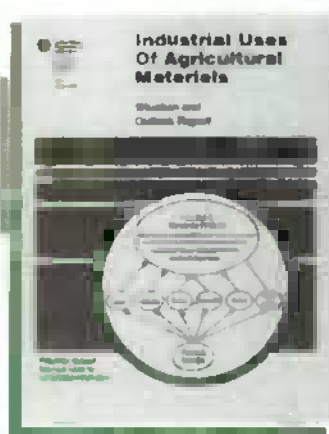
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## Special Article



Agricultural Research Service

## Global Food Production Prospects Into the Next Century

**T**he question of whether the earth can produce enough food to support the world's population during the coming decades received increased attention recently. The United Nations is currently preparing a long-term plan for stabilizing world population by 2050, and food and agriculture institutions have stepped up research on the global food situation.

A recent report by the Worldwatch Institute exemplifies the more pessimistic view of global food production prospects. Arguing that the food production potential of the earth is declining due to degradation of basic resources needed for production—land, water, and air—the report concludes the planet is currently near, and possibly exceeding, its upper limits of sustainable food production.

More optimistic conclusions are reached by many other research organizations, including USDA's Economic Research Service (ERS). Based on ERS assessment of the global resource base and taking into account projected technological changes, productivity growth, consumption, and population growth, the world's food production capacity is expected to be adequate to feed a growing population as we enter the 21st century.

The middle ground in each of these assessments is acknowledgement that agricultural resources are under pressure, particularly in some parts of the world. Some countries—more often developed countries—have food surpluses, while other countries face shortages. There are concerns about food availability and even about a pending food crisis in which world population and food needs outstrip production capacity.

ERS analysis does not point to a long-term global crisis or gross imbalance between overall food production and food needs. Nevertheless, challenges related to population growth, the natural resource base, and food policy will need to be met. Analyses from ERS and other research organizations do point to pending localized food crises that will not affect the world at large. These include:

- the prospect of continuing famines, especially in Sub-Saharan Africa;
- significant pressures on the natural resource base in efforts to increase production, particularly in some developing countries;
- population growth rates in excess of both short- and long-run food production growth rates in developing countries; and
- food distribution problems and short-run production shortfalls.

### Policy & Politics

#### Limit Output . . .

World food production over the past four decades has more than doubled, and the annual production growth rate has exceeded the rate of population growth by about one-half of a percentage point. In the last 2 or 3 years, however, world population growth has exceeded the growth in food production.

ERS assessment of this recent decline in global per capita food production is that short-term, reversible policy decisions—not a permanent loss in global productivity capacity—is the underlying causal factor. Accounting for most of the decline in food production growth in the last 3 years were North America, Western Europe, and the former Soviet Union (FSU).

*The food production decline in North America and Western Europe can be attributed largely to current policies that remove land from production, in order to prevent excess output. For example, the annual U.S. government commodity programs held about 16 million acres out of production in 1992/93, and another 36.4 million acres was idled under the Conservation Reserve Program. Thus, about one-sixth of the historical U.S. crop acreage was not in production.*

The European Union (EU) has also been struggling with a structural surplus in its agricultural sector, requiring subsidized export or stockholding of large quantities of grains, beef, and dairy products. ERS analysis indicates that EU grain is likely to remain in structural surplus despite recent reform of the Common Agricultural Policy (CAP).

As part of its effort to control surpluses, the EU has introduced policy measures that remove agricultural land from production. Currently, about 10.6 million acres of land are entered in the annual set-aside program introduced as part of CAP reform. In addition, other land remains in a 5-year set-aside program introduced in 1988. The EU Commission can reduce the required set-aside rate (currently 15 percent) in any year. A significant increase in world prices would likely bring this land back into production.

*The fall in FSU grain production may also be a short- to intermediate-term phenomenon.* Analysis by ERS indicates that as the FSU moves toward a market economy, it should become a more efficient producer, which could lead to higher production levels, especially in grains.

### **... While Structural Shortages Persist in Some Areas**

Global trends show food output increasing more than population growth since the 1950's, but the opposite is the case in some regions such as Sub-Saharan Africa and South Asia. An annual ERS assessment of the food situation in 60 developing countries indicates that more than half were in a food deficit in 1993. These countries would need 14 million tons in food aid in 1993/94 to maintain per capita grain consumption at the previous 5-year average.

This level of food aid would have two components—one for short-term emergency food needs and another for longer term structural needs. The year-to-year change in the food aid needs assessment includes the short-term category which is related primarily to weather and civil strife. For example, Sub-Saharan Africa's needs, although high this year, are below last year's needs because of a production recovery. Another example is Angola, where food needs are high because the renewal of civil war has disrupted food production and distribution.

Structural food aid needs account for well over three-fourths of the calculated needs in any year. These chronic food shortages develop when a country's capacity to produce or to import food commercially is unable to meet population growth on a regular basis.

In the developed countries, agricultural productivity has increased at an annual rate of over 2 percent over the past 20 years. In Sub-Saharan Africa, crop production per acre has increased by only 15 percent over the same period—well under 1 percent per year. In many countries of Sub-Saharan Africa, per capita food production levels are below levels of the 1970's.

The productivity gap between the developed and the developing countries, particularly the poorest developing countries, appears to be widening. But only those countries facing severe resource and productivity constraints and lacking income for commercial food imports—mostly in Sub-Saharan Africa and South Asia—can be labeled as being in a state of food crisis.

### **Long-term Pressures On Food Production**

Policy decisions in North America and Europe, like weather-related production shortfalls in Sub-Saharan Africa, are short-term. Policy actions can be changed, while weather-related events will always be with us. However such considerations are persistent reminders of the thin margin between plenty and scarcity, or an imbalance of too much and too little.

Three factors—population and income growth, resources and productivity, and food policies—are generating concern about the longer term global food situation. All three factors are important in considering the long-run balance between food availability and food needs.

*Population and income growth—essentially, growth in aggregate demand—is the first major factor* in assessing the long-term adequacy of food supplies. Sufficient income growth could provide a mechanism—trade—for countries to satisfy the growing food needs of their population. The expected growth in incomes and the concurrent expansion in food demand overall, could add pressure on food supplies and extend food availability concerns in the poor, chronically food-deficit countries.

The world population growth rate is expected to decline, from 1.8 percent a year during 1980-90 to 1.4 percent per year by 2010. But, even with the growth rate declining, the world will add over 90 million people per year, with virtually all of the increase in the developing countries. If world population growth were to continue to exceed the growth of food production, a global food crisis could result.

*Agricultural productivity—with its link to natural resources—is the second major factor.* Agricultural production is a biological process which depends on the world's natural resource base, especially soil and water, and on favorable climatic conditions. While the world's supply of land and water is relatively fixed, its use for agricultural production can be modified over time through investment.

Most land that is well adapted for agricultural production is already being used, and easily harnessed supplies of irrigation water have been exploited. And the proportion of growth in global agricultural production derived from expansion of cultivated area and irrigation has been declining.

New lands recently brought into production tend to be fragile, and their productive life under certain technologies appears quite limited. In many cases—the Amazon area of Brazil is a

## Special Article

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The following reports by USDA's Economic Research Service provide additional information on the factors underlying global food prospects.

- *Climate Change: Economic Implications for World Agriculture*, ERS Report No. AER-647, October 1991 (\$9 per copy).
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### Forthcoming

- *Environmental Policies: Implications for Agricultural Trade*, June 1994.

prominent example—land use for agricultural production is thought to have serious negative long-term effects on the world's environment and climate. Concern is growing that misuse of land and water in agricultural production is degrading the world's resource base, possibly irreversibly, and could reduce its long-term productive capacity.

As the supply of additional land and irrigation water to be brought under production has diminished, increases in food production have derived increasingly from the application of new technology. Much of this technology has depended heavily on intensive use of chemicals (including fertilizers), and has led to pollution of ground and surface water and, in some cases, the atmosphere. The effect of chemicals on the safety of the food supply is of increasing concern.

As agriculture has become more technology-dependent, questions have been raised about the ability of science to provide a sufficient future stream of new technology to keep pace with increasing demands for food. A related concern is the ability of new technology to produce adequate future food supplies in the low-income, food-deficit developing countries of the world. The more impoverished developing countries are poorly prepared in terms of human capital and infrastructure to support adoption of modern technology.

The concern that the economic activity of humankind is changing the composition of the earth's atmosphere has implications for global resources. This activity is causing long-term climatic change, which may result in global warming. Most analysis to date indicates that global warming will be a slow process, will likely not have serious consequences for decades, and will have both positive and negative effects.

The rise in global temperature, and the associated changes in rainfall pattern, may cause some regions of the world to become less suited to agricultural production and others to become more productive. The net effect on global productivity is uncertain. But global climate change will require change and adaptation, if its negative consequences are to be minimized.

*Food and agriculture policy is the third major factor in the long-term outlook for global food supplies.* Policies which insulate domestic producers and consumers from world market forces restrict the flexibility of the world to adjust to changing supply/demand conditions—and can lead to misuse of the natural resource base and the environment, particularly in some areas of the world. A policy environment that remains distortive raises further concern about the long-term future of the global food supply.

Individual policies can also affect a country's productive capacity. For example, ERS research indicates that one of the major factors behind slow production growth in Africa is the governments' agricultural and food policies—including inadequate producer incentives. Government policies that favor urban consumers and provide low prices to producers often stifle adoption of productivity-enhancing technologies.



## Positive Signs For the Future

It is a fact that the supply of land and water for agricultural production is limited and that the resource base, in many cases, is being degraded by improper use. However, technologies already exist which, if adopted more broadly, could greatly

increase the efficiency of water use. With appropriate technology and practices, much of the land currently being lost through erosion and salinization could be preserved, and additional marginal lands could be brought into production in an environmentally sound manner.

While land and water degradation poses serious problems, it does not bear out doubts of the ability to produce an adequate food supply over the next two or three decades. Corrective action is necessary, however, if many of the developing countries are to achieve a sustainable agricultural production base.

A positive new development for the long-term agricultural outlook, which is related to the water resource issue, is aquaculture. While the global commercial fish catch has stagnated during the 1990's, ERS analysis indicates that aquaculture has the potential to supplement a stagnant or declining fish catch. Aquaculture already accounts for approximately 25 percent of world shrimp and salmon production and consumption. As harvesting limits are reached, or more curbs are placed on the wild catch, aquaculture holds the technological potential to fill the gap.

Technology breakthroughs are always difficult to predict. However, a significant stock of technology has yet to be adopted, especially in the low-income developing countries. Of the 2-percent annual growth in productivity in the developed countries over the past 20 years, almost all derived from technological change. Growth is resulting from genetic improvements in seed varieties and other technological improvements, not simply from increased use of fertilizer or other chemical inputs. There is no indication that this trend in technological change and improved productivity is diminishing over time—particularly as biotechnological innovations such as genetic engineering appear to offer great potential for increasing agricultural productivity.

Two serious problems must be dealt with if these developments are to have a positive impact on the world food supply. One that is already being confronted is the possible negative effects of new technologies on the world's environment and on the perceived safety of food for human consumption. The other is whether the new technology can be applied to conditions in poor developing countries and help alleviate food shortages where they are most likely to occur.

Almost as difficult to predict as technological breakthroughs are major policy breakthroughs. Nevertheless, significant evidence exists that a major shift is about to occur in the global policy environment. After decades of increasing levels of protectionism, the agreement reached in the GATT negotiations—particularly on agriculture and intellectual property—offer real promise for reducing distortions and resource inefficiency in the marketplace. These agreements could significantly increase the movement of goods and technologies among countries.

Another positive sign for policy improvement has been the significant unilateral reform undertaken by many of the developing countries. Such reforms, as applied to the agricultural sectors, should provide market incentives for producers to adopt existing and new technologies. The productivity gap between the developed and the developing countries could begin to narrow.

On balance, it appears that in the next two to three decades the known major concerns do not pose an insurmountable obstacle to the world food system. In this time frame, food crises will likely continue to be localized as a consequence of policy-induced inflexibilities in the global food system and a lack of effective demand—rather than failure of supply.

Simply enumerating all the phenomena that raise concerns about the long-term global food situation might appear to indicate dangers ahead. However, the ERS assessment is that we either have or are developing the means to address these concerns. Still, the conditions causing concern have evolved over a long period of time, and changing these conditions will require time, technology, and action.

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# Statistical Indicators

## Summary Data

**Table 1.—Key Statistical Indicators of the Food & Fiber Sector**

	1993				1994				
	II	III	IV	Annual	I	II F	III F	IV F	Annual F
Prices received by farmers (1977=100)	146	141	145	143	147	146	—	—	—
Livestock & products	167	161	159	162	159	162	—	—	—
Crops	125	121	130	123	135	129	—	—	—
Prices paid by farmers, (1977=100)									
Production items	180	179	181	179	181	184	—	—	—
Commodities & services, interest, taxes, & wages	196	195	196	195	198	200	—	—	—
Cash receipts (\$ bil.) 1/	181	176	171	175	—	—	—	—	—
Livestock (\$ bil.)	92	91	89	90	—	—	—	—	—
Crops (\$ bil.)	89	85	81	85	—	—	—	—	—
Market basket (1982-84=100)									
Retail cost	142	142	144	142	145	—	—	—	—
Farm value	107	104	104	105	106	—	—	—	—
Spread	160	162	165	162	166	—	—	—	—
Farm value/retail cost (%)	27	26	25	26	26	—	—	—	—
Retail prices (1982-84=100)									
Food	141	141	142	141	143	—	—	—	—
At home	140	140	141	140	143	—	—	—	—
Away from home	143	144	144	143	145	—	—	—	—
Agricultural exports (\$ bil.) 2/	10.1	9.2	11.9	42.6	11.1	10.2	9.3	—	42.5
Agricultural imports (\$ bil.) 2/	6.3	5.7	6.6	24.5	6.4	6.2	5.8	—	24.5
Commercial production									
Red meat (mil. lb.)	9,992	10,362	10,502	40,568	10,083	10,223	10,548	10,454	41,308
Poultry (mil. lb.)	6,991	7,034	6,973	27,539	6,886	7,390	7,415	7,240	28,931
Eggs (mil. doz.)	1,474	1,490	1,535	5,960	1,498	1,505	1,505	1,545	6,053
Milk (bil. lb.)	39.4	37.4	36.6	151.0	37.5	39.5	37.8	37.3	152.2
Consumption, per capita									
Red meat and poultry (lb.)	51.1	52.3	53.8	207.6	50.7	52.7	53.7	54.0	211.1
Corn beginning stocks (mil. bu.) 3/	7,906.4	5,678.2	3,709.4	1,100.3	2,113.0	5,936.5	3,994.7	—	2,113.0
Corn use (mil. bu.) 3/	2,229.2	1,970.8	1,599.3	8,476.1	2,525.7	1,949.9	—	—	7,650.0
Prices 4/									
Choice steers—Neb. Direct (\$/cwt)	79.78	73.77	71.23	76.36	73.1	72-74	70-74	70-76	71-74
Barrows & gilts—IA. So. MN (\$/cwt)	47.59	48.05	43.93	46.10	45.8	45-47	47-49	43-47	45-47
Broilers—12-city (cts./lb.)	55.8	56.9	54.9	55.2	55.0	57-59	55-59	52-56	55-57
Eggs—NY gr. A large (cts./doz.)	73.4	69.6	71.5	72.5	71.5	62-64	67-71	70-76	68-71
Milk—all at plant (\$/cwt)	12.83	12.67	13.40	12.80	13.57	13.25-13.55	12.05-12.65	12.20-13.10	12.75-13.25
Wheat—KC HRW ordinary (\$/bu.)	3.48	3.36	3.69	3.59	3.81	—	—	—	—
Corn—Chicago (\$/bu.)	2.27	2.36	2.72	2.38	2.97	—	—	—	—
Soybeans—Chicago (\$/bu.)	5.95	6.66	6.48	6.18	—	—	—	—	—
Cotton—Avg. spot 41-34 (cts./lb.)	55.6	53.8	56.8	55.4	70.7	—	—	—	—
	1986	1987	1988	1989	1990	1991	1992	1993	1994
Farm real estate values 5/									
Nominal (\$ per acre)	640	599	632	661	668	681	684	699	744
Real (1982 \$)	568	518	530	533	517	505	487	495	503

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.-Sept. fiscal years ending with year indicated. 3/ Sept.-Nov. first quarter; Dec.-Feb. second quarter; Mar.-May third quarter; Jun.-Aug. fourth quarter; Sept.-Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages, Jan.-Dec. 5/ 1990-94 values as of January 1. 1986-89 values as of February 1. F = forecast. — = not available.

## U.S. &amp; Foreign Economic Data

Table 2.—U.S. Gross Domestic Product &amp; Related Data

	Annual			1993				1994
	1991	1992	1993	I	II	III	IV R	1 P
\$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	5,722.9	6,038.5	6,377.9	6,261.8	6,327.6	6,395.9	6,526.5	6,609.4
Gross national product	5,737.1	6,045.8	6,378.1	6,262.1	6,327.1	6,402.3	6,520.9	—
Personal consumption expenditures	3,906.4	4,139.9	4,391.8	4,296.2	4,359.9	4,419.1	4,492.0	4,549.4
Durable goods	457.8	497.3	537.9	515.3	531.6	541.9	562.8	577.4
Nondurable goods	1,257.9	1,300.9	1,350.0	1,335.3	1,344.8	1,352.4	1,367.5	1,378.1
Clothing & shoes	213.0	228.2	237.3	233.1	235.2	238.2	242.7	243.2
Food & beverages	621.4	633.7	657.8	648.2	654.1	660.0	669.1	671.7
Services	2,190.7	2,341.6	2,503.9	2,445.5	2,483.4	2,524.8	2,561.8	2,595.9
Gross private domestic investment	736.9	796.5	891.7	874.1	874.1	884.0	934.5	978.0
Fixed investment	745.5	789.1	876.1	839.5	881.0	876.3	927.6	943.8
Change in business inventories	-8.6	7.3	15.6	34.6	13.1	7.7	6.9	34.2
Net exports of goods & services	-19.6	-29.6	-63.6	-48.3	-65.1	-71.9	-69.1	-82.4
Government purchases of goods & services	1,099.3	1,131.8	1,158.1	1,139.7	1,158.6	1,164.8	1,169.1	1,164.4
1987 \$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	4,881.4	4,986.3	5,136.0	5,079.2	5,102.1	5,138.3	5,225.6	5,259.0
Gross national product	4,874.5	4,994.0	5,138.6	5,080.7	5,104.1	5,145.8	5,223.7	—
Personal consumption expenditures	3,258.6	3,341.8	3,453.2	3,403.8	3,432.7	3,469.6	3,506.9	3,539.8
Durable goods	426.6	456.6	490.0	471.9	484.2	493.1	510.9	522.9
Nondurable goods	1,048.2	1,062.9	1,088.1	1,076.0	1,083.1	1,093.0	1,100.2	1,106.7
Clothing & shoes	184.7	193.7	199.5	194.8	197.8	200.8	204.6	205.5
Food & beverages	518.7	520.5	531.0	526.7	528.6	532.6	536.0	536.4
Services	1,783.8	1,822.3	1,875.2	1,855.9	1,865.4	1,883.5	1,895.8	1,910.2
Gross private domestic investment	675.7	732.9	820.3	803.0	803.6	813.4	861.4	896.7
Fixed investment	684.1	726.4	806.0	773.7	790.6	806.9	852.9	866.2
Change in business inventories	-8.4	6.5	14.3	29.3	13.0	6.5	8.5	30.5
Net exports of goods & services	-19.1	-33.6	-76.5	-59.9	-75.2	-86.3	-84.5	-104.2
Government purchases of goods & services	946.3	945.2	938.9	931.3	941.1	941.7	941.7	926.8
GDP implicit price deflator (% change)	3.9	2.9	2.6	3.6	2.3	1.6	1.3	2.6
Disposable personal income (\$ bil.)	4,230.5	4,500.2	4,708.7	4,597.5	4,692.2	4,723.7	4,813.5	4,862.4
Disposable per. income (1987 \$ bil.)	3,529.0	3,632.5	3,700.9	3,642.6	3,694.4	3,708.7	3,757.9	3,783.3
Per capita disposable per. income (\$)	16,741	17,615	18,225	17,876	18,196	18,265	18,561	18,705
Per capita dis. per. income (1987 \$)	13,965	14,219	14,330	14,163	14,326	14,341	14,491	14,554
U.S. population, total, incl. military abroad (mil.) 1/	252.6	255.5	258.2	257.2	257.8	258.5	259.2	259.9
Civilian population (mil.) 1/	250.5	253.5	256.4	255.3	256.0	256.7	257.5	258.1
	Annual			1993		1994		
	1991	1992	1993	Mar	Dec	Jan	Feb	Mar P.
Monthly data seasonally adjusted								
Industrial production (1987=100)	104.1	106.5	110.9	110.0	114.0	114.4	115.0	115.6
Leading economic indicators (1987=100)	97.1	98.1	98.7	98.4	100.2	100.5	100.5	101.2
Civilian employment (mil. persons) 2/	116.9	117.6	119.3	118.6	120.7	122.0	122.3	122.0
Civilian unemployment rate (%) 2/	6.6	7.3	6.7	7.0	6.4	6.7	6.5	6.5
Personal income (\$ bil. annual rate)	4,850.9	5,144.9	5,388.3	5,289.2	5,548.1	5,501.1	5,600.0	5,633.1
Money stock-M2 (daily avg.) (\$ bil.) 3/	3,455.3	3,509.0	3,563.1	3,494.8	3,563.1	3,569.4	3,565.9	3,581.2
Three-month Treasury bill rate (%)	5.42	3.45	3.02	2.97	3.08	3.02	3.21	3.52
AAA corporate bond yield (Moody's) (%)	8.77	8.14	7.22	7.58	6.93	6.92	7.08	7.48
Housing starts (1,000) 4/	1,014	1,200	1,288	1,092	1,612	1,271	1,314	1,473
Auto sales at retail, total (mil.)	8.4	8.4	8.7	8.4	8.8	9.2	9.4	—
Business inventory/sales ratio	1.54	1.50	1.45	1.48	1.41	1.42	1.41	—
Sales of all retail stores (\$ bil.) 5/	1,863.0	1,959.1	2,081.6	1,674	1,80.9	1,78.8	1,81.5	1,82.3
Nondurable goods stores (\$ bil.)	1,209.5	1,251.8	1,297.0	1,064	1,09.9	1,09.2	1,10.8	1,10.8
Food stores (\$ bil.)	379.3	382.4	392.4	32.3	33.4	33.3	33.6	33.3
Eating & drinking places (\$ bil.)	194.1	200.6	211.0	17.1	18.0	17.3	18.0	17.9
Apparel & accessory stores (\$ bil.)	97.3	104.1	106.1	8.5	8.9	8.6	8.9	9.0

1/ Population estimates based on 1990 census. 2/ Data for 1994 are not directly comparable with data for 1993 and earlier years. 3/ Annual data as of December of the year listed. 4/ Private, including farm. 5/ Annual total. P = preliminary. — = not available.

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Table 3.—World Economic Growth

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 E	1994 F	1995 F	Average 1984-95
Real GDP, annual percent change													
World	4.3	3.3	2.7	3.1	4.4	3.3	2.2	0.7	1.9	1.6	2.7	3.3	2.8
World, less U.S.	3.6	3.4	2.7	3.1	4.6	3.6	2.7	1.2	1.7	1.1	2.2	3.1	2.8
Developed	4.3	3.2	2.7	3.1	4.4	3.3	2.4	0.8	1.7	1.0	2.2	2.9	2.7
Developed, less U.S.	3.2	3.4	2.7	3.2	4.5	3.6	3.5	1.4	1.0	0.0	1.2	2.4	2.6
United States	6.0	3.0	2.6	3.0	3.9	2.8	0.8	-0.7	2.6	3.0	4.1	3.7	2.7
Canada	6.4	4.7	3.3	4.1	4.7	2.5	0.4	-1.7	0.7	2.5	3.5	3.3	2.8
Japan	4.3	5.0	2.7	4.1	6.2	4.7	5.2	4.3	1.1	0.1	0.5	2.3	3.8
Western Europe	2.4	2.5	2.7	2.8	3.7	3.2	2.8	0.2	1.0	-0.5	1.3	2.3	2.1
European Union	2.3	2.4	2.7	2.7	3.9	3.3	2.9	0.4	1.1	-0.3	1.3	2.3	2.1
Germany	2.8	1.9	2.2	1.4	3.7	3.3	2.9	0.6	2.1	-1.4	0.8	2.2	1.9
Central Europe	3.5	2.0	3.0	1.5	2.1	-0.3	-8.7	-13.8	-10.2	-0.2	1.5	2.4	-2.1
Former Soviet Union	4.1	1.7	3.6	2.8	1.5	0.8	-5.8	-9.2	-17.0	-12.5	-7.0	0.5	-3.1
Russia	2.6	2.6	3.4	2.1	5.8	2.5	-2	-9	-19	-11.9	-6	0.7	-2.9
Developing	4.4	3.9	3.4	4.1	4.8	3.8	3.7	3.8	5.4	5.4	5.4	5.3	4.3
Asia	7.7	6.4	6.8	7.8	9.5	5.8	6.3	5.2	7.7	7.4	7.2	7.0	7.0
Pacific-Asia	9.4	6.7	7.3	9.0	9.5	6.1	6.6	6.4	9.0	8.7	7.9	7.5	7.9
China	14.4	12.3	8.2	11.0	10.7	4.3	5.4	1.8	12.8	13.4	10.2	8.0	9.9
South Asia	3.9	5.6	4.9	4.8	8.4	5.1	5.5	1.2	4.0	3.7	4.9	5.4	4.9
India	3.7	5.4	4.8	4.7	10.3	5.4	5.8	1.2	4.2	3.5	4.8	5.3	4.9
Latin America	3.8	3.3	4.5	3.2	0.6	1.3	-0.1	3.1	2.2	3.2	3.8	4.4	2.5
Mexico	3.7	2.7	-3.9	1.8	1.2	3.4	4.5	3.6	2.6	0.4	3.2	4.2	2.0
Caribbean/Central	0.5	2.2	2.1	2.8	-0.6	2.1	1.4	0.1	0.2	2.2	2.0	2.2	1.3
South America	4.1	4.0	7.1	3.5	0.4	0.5	-1.7	3.0	1.9	4.1	4.2	4.7	2.7
Brazil	5.4	7.9	8.0	3.3	-0.2	3.3	-4.2	1.2	-0.2	4.8	5.8	5.5	2.9
Middle East	0.5	-0.6	-6.9	-2.0	-2.1	2.8	3.2	1.9	7.5	5.3	3.8	2.8	1.0
Africa	1.0	3.0	2.4	0.4	2.7	3.0	1.9	2.1	1.2	2.1	2.4	2.6	2.0
North Africa	2.7	3.1	0.4	-0.1	1.3	2.9	1.8	2.8	1.4	1.8	2.3	2.7	1.8
Sub-Saharan	-0.1	2.9	3.8	0.8	3.7	3.1	2.0	1.6	1.1	2.3	2.5	2.6	2.1
Middle East & N. Africa	1.1	0.5	-4.7	-1.4	-1.1	2.8	2.8	2.2	5.7	4.3	3.4	2.8	1.2

E = Estimate F = forecast.

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## Farm Prices

Table 4.—Indexes of Prices Received &amp; Paid by Farmers, U.S. Average

	Annual			1993			1994			
	1991	1992	1993 P	Apr	Nov	Dec	Jan	Feb	Mar R	Apr P
	1977 = 100									
Prices received										
All farm products	146	139	143	146	144	145	147	148	148	146
All crops	129	121	123	125	128	133	135	135	132	129
Food grains	115	119	120	130	143	160	149	151	154	146
Feed grains & hay	117	116	115	113	125	133	136	138	138	134
Feed grains	115	114	110	107	121	131	133	136	132	127
Cotton	108	88	89	91	89	94	105	109	109	110
Tobacco	161	154	154	141	162	162	168	168	141	141
Oil-bearing crops	91	88	95	91	98	101	108	105	105	102
Fruit, all	265	175	174	129	183	186	150	149	146	152
Fresh market 1/	289	179	181	127	192	171	152	150	147	154
Commercial vegetables	135	156	159	239	139	168	169	157	136	119
Fresh market	140	156	166	275	141	179	177	161	134	112
Potatoes & dry beans	141	124	151	189	164	156	157	184	167	197
Livestock & products	161	157	162	187	158	158	159	161	163	162
Meat animals	186	178	183	191	173	170	175	179	181	180
Dairy products	126	135	132	130	140	140	141	139	139	140
Poultry & eggs	124	117	127	131	129	127	124	127	132	128
Prices paid										
Commodities & services										
Interest, taxes, & wage rates	187	189	195	196	196	198	198	198	199	200
Production items	172	173	178	180	181	181	182	182	181	184
Feed	123	123	124	124	—	—	137	—	—	136
Feeder livestock	214	202	218	222	—	—	211	—	—	209
Seed	163	162	169	171	—	—	168	—	—	175
Fertilizer	134	131	128	129	—	—	127	—	—	137
Agricultural chemicals	151	159	165	166	—	—	166	—	—	168
Fuels & energy	203	199	201	201	—	—	189	—	—	195
Farm & motor supplies	157	160	160	160	—	—	159	—	—	158
Autos & trucks	244	258	272	272	—	—	278	—	—	288
Tractors & self-propelled machinery	211	219	227	223	—	—	237	—	—	240
Other machinery	226	233	243	245	—	—	248	—	—	258
Building & fencing	146	150	159	164	—	—	160	—	—	166
Farm services & cash rent	171	172	174	174	—	—	175	—	—	175
Int. payable per acre on farm real estate debt	137	129	123	123	—	—	130	—	—	130
Taxes payable per acre on farm real estate	184	171	180	180	—	—	189	—	—	189
Wage rates (seasonally adjusted)	200	209	217	223	—	—	222	—	—	222
Production items, interest, taxes, & wage rates	175	176	178	179	—	—	180	—	—	183
Ratio, prices received to prices paid (%) 2/	77	74	73	74	73	74	75	75	75	73
Prices received (1910-14=100)	665	636	653	668	656	662	672	678	675	666
Prices paid, etc. (parity index) (1910-14=100)	1,285	1,303	1,340	1,345	—	—	1,361	—	—	1,378
Parity ratio (1910-14=100) (%) 2/	51	49	49	50	—	—	48	—	—	48

1/ Fresh market for noncitrus; fresh market & processing for citrus. 2/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wage rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 219-0313.

Table 5.—Prices Received by Farmers, U.S. Average

	Annual 1/			1993			1994			
	1991	1992	1993 P	Apr	Nov	Dec	Jan	Feb	Mar R	Apr P
<b>CROPS</b>										
All wheat (\$/bu.)	3.00	3.24	3.20	3.26	3.47	3.63	3.58	3.58	3.65	3.43
Rice, rough (\$/cwt)	7.58	5.89	8.50	5.50	8.08	8.91	8.98	10.10	10.20	10.10
Corn (\$/bu.)	2.37	2.07	2.55	2.16	2.45	2.67	2.70	2.79	2.74	2.62
Sorghum (\$/cwt)	4.02	3.38	4.20	3.38	4.22	4.54	4.70	4.59	4.31	4.19
All hay, baled (\$/ton)	71.20	74.30	81.80	83.80	83.60	84.20	85.70	86.90	90.80	98.20
Soybeans (\$/bu.)	5.58	5.66	6.45	6.73	6.32	6.64	6.72	6.71	6.74	6.46
Cotton, upland (cts./lb.)	56.8	53.7	5/ 53.3	55.1	53.9	57.1	63.7	66.0	66.1	66.3
Potatoes (\$/cwt)	4.96	5.52	6.22	7.19	6.40	6.12	6.05	6.49	7.56	8.07
Lettuce (\$/cwt) 2/	11.40	12.40	16.00	38.00	10.70	8.93	8.03	11.80	9.90	10.30
Tomatoes fresh (\$/cwt) 2/	31.80	35.80	31.60	45.20	32.30	57.50	41.10	18.80	24.20	20.30
Onions (\$/cwt)	12.50	13.00	15.80	31.00	17.20	24.10	31.70	34.50	18.00	11.60
Dry edible beans (\$/cwt)	15.60	19.90	23.50	18.30	26.30	24.90	26.60	25.40	26.00	25.80
Apples for fresh use (cts./lb.)	25.1	19.2	—	14.3	20.5	19.0	19.1	18.7	16.9	16.1
Pears for fresh use (\$/ton)	385.00	378.00	371.00	429.00	361.00	323.00	280.00	256.00	224.00	208.00
Oranges, all uses (\$/box) 3/	6.79	5.50	3.11	3.31	5.25	3.95	3.91	4.14	4.48	5.35
Grapefruit, all uses (\$/box) 3/	5.55	6.23	2.60	1.97	4.19	4.35	3.20	3.20	2.54	2.27
<b>LIVESTOCK</b>										
Beef cattle (\$/cwt)	72.90	71.30	73.30	77.30	69.30	68.50	70.00	70.20	72.30	72.70
Calves (\$/cwt)	99.90	89.40	95.80	99.60	91.50	92.60	94.00	95.00	97.60	98.90
Hogs (\$/cwt)	48.80	42.10	45.40	45.40	42.50	40.60	43.50	47.90	44.40	42.40
Lambs (\$/cwt)	52.50	60.80	64.50	68.10	65.80	66.00	60.80	60.00	58.80	55.90
All milk, sold to plants (\$/cwt)	12.27	13.15	12.86	12.60	13.60	13.60	13.70	13.50	13.50	13.60
Milk, manuf. grade (\$/cwt)	11.05	11.91	11.80	12.00	12.70	12.50	12.30	12.30	12.50	12.70
Broilers (cts./lb.)	31.0	30.8	34.2	33.8	34.8	33.6	33.4	34.0	35.3	35.3
Eggs (cts./doz.) 4/	66.0	56.4	62.9	68.9	62.6	63.1	61.9	63.7	65.9	61.7
Turkeys (cts./lb.)	37.7	37.6	38.9	37.6	42.9	40.9	36.8	37.1	38.4	39.1

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns.  
4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. 5/ Average for Aug. 1 - Dec. 1. P = preliminary. R = revised.  
— = not available.

Information contact: Ann Duncan (202) 219-0313.

## Producer & Consumer Prices

Table 6.—Consumer Price Index for All Urban Consumers, U.S. Average (Not Seasonally Adjusted)

	Annual	1993					1994			
	1993	Apr	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
		1982-84=100								
Consumer Price Index, all items	144.5	144.0	145.1	145.7	145.8	145.8	146.2	146.7	147.2	147.4
Consumer Price Index, less food	145.1	144.6	145.1	146.4	146.6	146.4	146.6	147.3	148.0	148.1
<b>All food</b>	<b>140.9</b>	<b>140.6</b>	<b>141.1</b>	<b>141.6</b>	<b>141.9</b>	<b>142.7</b>	<b>143.7</b>	<b>142.9</b>	<b>143.2</b>	<b>143.4</b>
Food away from home	143.2	142.7	143.8	144.0	144.2	144.3	144.5	144.6	144.8	145.1
Food at home	140.1	140.0	140.0	140.8	141.2	142.3	143.8	142.8	142.8	143.0
Meats 1/	134.6	133.8	135.5	135.9	136.3	135.9	136.1	136.0	136.4	136.0
Beef & veal	137.1	137.6	137.0	137.2	138.0	137.7	137.3	136.9	138.0	137.1
Pork	131.7	128.5	134.6	134.6	134.4	133.1	133.9	134.1	134.6	133.6
Poultry	136.9	135.2	138.0	139.2	139.7	141.1	140.5	140.4	140.1	140.9
Fish	156.6	159.7	155.4	157.4	158.9	158.7	163.2	160.9	161.8	163.7
Eggs	117.1	126.9	113.4	114.9	118.0	116.0	118.5	117.4	120.5	115.7
Dairy products 2/	129.4	128.0	129.6	129.5	129.6	130.2	131.6	131.8	131.8	131.8
Fats & oils 3/	130.0	130.2	130.0	130.0	129.2	129.4	131.3	131.5	132.6	133.2
Fresh fruit	188.8	184.6	193.3	197.7	194.4	205.4	207.2	194.8	199.1	198.1
Processed fruit	132.3	132.1	132.4	132.8	133.4	133.7	134.6	133.0	133.3	133.9
Fresh vegetables	168.4	179.3	157.4	157.7	166.1	174.9	181.7	168.1	167.0	163.9
Potatoes	154.6	152.0	156.1	152.1	158.3	165.0	189.4	171.3	179.8	186.3
Processed vegetables	130.8	130.4	130.9	131.7	131.7	132.8	135.8	136.1	135.7	136.4
Cereals & bakery products	156.6	155.4	157.7	158.1	157.9	158.9	160.3	161.3	160.4	162.5
Sugar & sweets	133.4	133.2	133.3	134.1	133.7	133.3	134.9	135.6	135.3	135.9
<b>Beverages, nonalcoholic</b>	<b>114.6</b>	<b>114.2</b>	<b>113.8</b>	<b>115.4</b>	<b>115.4</b>	<b>114.8</b>	<b>116.1</b>	<b>116.0</b>	<b>116.0</b>	<b>115.5</b>
<b>Apparel</b>										
Apparel, commodities less footwear	131.9	135.9	133.0	134.7	134.6	130.3	127.5	130.1	134.5	134.7
Footwear	125.9	127.1	126.2	127.3	127.4	125.8	125.9	125.9	127.0	128.0
<b>Tobacco &amp; smoking products</b>	<b>228.4</b>	<b>237.3</b>	<b>215.1</b>	<b>214.0</b>	<b>214.5</b>	<b>215.5</b>	<b>217.6</b>	<b>217.4</b>	<b>217.7</b>	<b>218.0</b>
<b>Beverages, alcoholic</b>	<b>149.6</b>	<b>149.7</b>	<b>149.9</b>	<b>150.1</b>	<b>150.0</b>	<b>150.3</b>	<b>151.0</b>	<b>151.1</b>	<b>151.4</b>	<b>151.6</b>

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: Ann Duncan (202) 219-0313.

Table 7.—Producer Price Indexes, U.S. Average (Not Seasonally Adjusted)

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov R	Dec	Jan	Feb	Mar
	1982 = 100									
All commodities	116.5	117.2	118.9	118.7	119.1	119.0	118.4	118.0	119.2	119.7
Finished goods 1/	121.7	123.2	124.7	124.7	124.6	124.5	124.1	124.4	124.6	125.0
All foods 2/	122.2	120.9	123.6	122.6	123.4	125.3	125.9	125.5	125.0	126.1
Consumer foods	124.1	123.3	125.7	124.8	125.4	126.6	127.2	127.1	126.7	127.5
Fresh fruit & melons	129.9	84.0	84.2	74.2	89.2	91.4	93.7	81.7	84.4	86.3
Fresh & dried vegetables	103.8	115.0	133.5	132.5	103.2	153.5	160.1	143.0	112.4	116.6
Dried fruit	111.8	114.6	118.2	116.4	120.7	120.1	121.8	121.2	121.5	120.6
Canned fruit & juice	126.6	134.5	128.1	125.8	125.8	126.8	126.3	126.8	126.6	125.7
Frozen fruit & juice	116.3	125.9	110.9	104.6	114.9	116.4	115.8	116.1	113.5	113.1
Fresh veg. excl. potatoes	100.2	116.4	126.4	117.4	89.5	141.1	167.0	146.3	99.4	96.1
Canned veg. & juices	112.9	109.5	110.6	109.7	111.5	112.3	112.3	113.0	115.1	117.4
Frozen vegetables	117.6	116.4	121.0	117.9	123.2	123.7	125.4	126.0	126.7	127.8
Potatoes	125.7	118.4	144.9	131.3	143.7	197.7	178.8	170.5	165.6	160.3
Eggs for fresh use (1991=100)	3/	78.6	86.6	99.0	85.8	88.5	86.0	82.9	88.3	91.8
Bakery products	146.6	152.5	156.6	155.8	157.9	157.9	157.9	158.4	158.9	158.9
Meats	113.5	106.7	110.5	111.7	108.3	107.6	106.3	106.1	108.4	109.9
Beef & veal	112.2	109.5	112.9	116.4	105.9	107.2	107.3	105.0	105.5	110.3
Pork	113.4	98.9	105.4	103.9	109.7	105.0	101.0	103.7	110.4	107.7
Processed poultry	109.9	109.0	111.6	109.1	115.7	114.0	113.0	112.9	112.9	116.3
Fish	149.5	156.1	156.7	166.3	155.1	154.0	156.2	171.7	155.1	162.1
Dairy products	114.6	117.9	118.1	115.0	119.0	120.3	121.0	120.3	119.9	120.8
Processed fruits & vegetables	119.6	120.8	118.3	116.4	119.5	120.3	120.5	120.9	121.4	121.9
Shortening & cooking oil	116.5	115.1	123.0	117.9	124.2	125.9	131.8	139.2	140.2	139.7
Soft drinks	125.5	126.6	126.3	127.6	125.6	125.3	125.1	127.0	127.6	126.9
Consumer finished goods less foods	118.7	120.8	121.7	122.1	121.2	120.3	119.4	119.8	120.5	120.5
Beverages, alcoholic	123.7	126.1	126.0	126.5	125.9	125.7	125.6	125.8	127.7	126.0
Apparel	119.6	122.2	123.2	123.2	123.3	123.2	122.9	123.0	123.5	123.5
Footwear	128.6	132.0	134.4	133.9	134.7	134.9	135.0	135.3	135.6	135.4
Tobacco products	249.7	275.3	260.1	292.2	213.6	213.6	221.2	225.5	224.9	224.7
Intermediate materials 4/	114.4	114.7	116.2	116.0	116.5	116.4	115.9	116.1	116.6	116.8
Materials for food manufacturing	115.3	113.9	115.6	113.5	116.7	117.3	119.0	119.0	119.2	119.9
Flour	96.8	109.5	109.3	109.1	109.2	110.4	116.7	113.2	113.1	111.9
Refined sugar 5/	121.6	119.8	118.3	118.3	118.7	118.4	118.9	118.4	118.3	118.3
Crude vegetable oils	103.0	97.1	110.3	103.1	112.5	117.6	136.6	141.8	138.8	140.3
Crude materials 6/	101.2	100.4	102.4	102.6	102.8	102.2	100.4	102.2	100.9	104.8
Foodstuffs & feedstuffs	105.5	105.1	108.3	108.3	105.7	110.2	111.5	111.5	112.8	114.0
Fruits & vegetables & nuts 7/	114.7	96.9	106.0	101.8	94.6	118.4	121.4	108.4	97.1	99.6
Grains	92.0	97.3	94.4	89.3	96.4	106.1	116.4	118.0	116.8	112.5
Livestock	107.9	104.7	107.0	112.6	100.0	100.5	99.2	100.7	103.6	104.7
Poultry, live	111.2	112.6	122.0	116.1	128.1	127.2	118.4	110.9	119.6	129.5
Fibers, plant & animal	115.1	89.8	91.3	84.2	92.0	88.8	98.1	107.1	119.0	120.8
Fluid milk	89.5	96.1	93.8	88.4	95.6	98.7	98.7	98.8	97.9	98.4
Oilseeds	106.4	107.5	115.9	108.3	114.3	119.1	127.1	127.4	127.4	129.4
Tobacco, leaf	101.1	101.0	99.6	108.7	102.2	105.5	105.5	105.5	109.4	96.3
Sugar, raw cane	113.7	112.1	113.2	112.2	114.7	114.6	115.4	115.2	114.9	114.9

1/ Commodities ready for sale to ultimate consumer. 2/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). 3/ New index beginning Dec. 1991. 4/ Commodities requiring further processing to become finished goods. 5/ All types & sizes of refined sugar. 6/ Products entering market for the first time that have not been manufactured at that point. 7/ Fresh & dried. R = revised.

Information contact: Ann Duncan (202) 219-0313



## Farm-Retail Price Spreads

Table 8.—Farm-Retail Price Spreads

	Annual			1993 <sup>1</sup>				1994		
	1991	1992	1993	Mar <sup>2</sup>	Oct	Nov	Dec	Jan	Feb	Mar
<b>Market basket 1/</b>										
Retail cost (1982-84=100)	137.4	138.4	141.9	141.0	142.8	143.2	144.6	145.8	144.4	144.8
Farm value (1982-84=100)	108.1	103.4	104.9	105.5	102.2	104.2	105.4	106.4	105.1	105.8
Farm-retail spread (1982-84=100)	154.2	157.3	181.9	160.1	164.7	164.2	165.7	167.1	165.5	165.5
Farm value-retail cost (%)	27.0	28.2	25.9	28.2	25.1	25.5	25.5	25.5	25.5	25.8
<b>Meat products</b>										
Retail cost (1982-84=100)	132.5	130.7	134.6	133.1	135.9	136.3	135.9	136.1	136.0	136.4
Farm value (1982-84=100)	110.0	104.5	107.2	113.0	102.0	101.0	97.4	97.1	101.5	103.1
Farm-retail spread (1982-84=100)	155.8	157.5	162.8	153.7	170.7	172.5	175.4	178.2	171.4	170.5
Farm value-retail cost (%)	42.0	40.5	40.3	43.0	38.0	37.5	36.3	36.1	37.8	38.3
<b>Dairy products</b>										
Retail cost (1982-84=100)	125.1	128.5	129.4	128.8	129.5	129.5	130.2	131.6	131.8	131.8
Farm value (1982-84=100)	90.0	95.9	93.0	89.4	92.2	95.7	97.2	98.4	96.5	96.5
Farm-retail spread (1982-84=100)	157.5	158.6	162.9	155.1	163.9	160.7	160.6	162.3	164.4	164.4
Farm value-retail cost (%)	34.5	35.8	34.5	33.3	34.1	35.4	35.8	35.9	35.1	35.1
<b>Poultry</b>										
Retail cost (1982-84=100)	131.5	131.4	136.9	135.7	139.2	139.7	141.1	140.5	140.4	140.1
Farm value (1982-84=100)	102.5	104.0	111.5	105.8	118.0	114.8	110.9	108.3	110.1	114.3
Farm-retail spread (1982-84=100)	164.9	163.0	166.2	170.1	165.9	168.4	175.9	177.5	175.3	169.8
Farm value-retail cost (%)	41.7	42.4	43.6	41.7	44.8	44.0	42.1	41.3	42.0	43.7
<b>Eggs</b>										
Retail cost (1982-84=100)	121.2	108.3	117.1	120.3	114.9	118.0	116.0	118.5	117.4	120.5
Farm value (1982-84=100)	100.9	77.8	88.9	105.9	84.2	89.5	89.2	86.6	89.9	95.4
Farm-retail spread (1982-84=100)	157.6	163.2	167.8	146.2	170.0	169.1	164.2	175.8	166.8	165.6
Farm value-retail cost (%)	53.5	46.1	48.8	56.5	47.1	48.8	49.4	47.0	49.2	50.9
<b>Cereal &amp; bakery products</b>										
Retail cost (1982-84=100)	145.8	151.5	156.6	154.6	158.1	157.9	158.9	160.3	161.3	160.4
Farm value (1982-84=100)	85.3	94.7	91.4	90.9	93.3	101.2	108.0	106.4	108.7	105.8
Farm-retail spread (1982-84=100)	154.3	159.4	165.6	163.5	167.1	165.8	166.0	167.8	168.6	168.0
Farm value-retail cost (%)	7.2	7.7	7.1	7.2	7.2	7.8	8.3	8.1	8.2	8.1
<b>Fresh fruits</b>										
Retail cost (1982-84=100)	200.1	189.6	195.8	188.5	208.1	204.3	218.6	217.0	198.8	204.5
Farm value (1982-84=100)	174.4	122.5	134.8	132.2	142.8	129.7	128.2	135.5	115.1	113.9
Farm-retail spread (1982-84=100)	211.9	220.6	224.0	214.5	238.2	238.7	257.4	254.6	237.5	248.3
Farm value-retail cost (%)	27.5	20.4	21.7	22.1	21.7	20.1	18.7	19.7	18.3	17.6
<b>Fresh vegetables</b>										
Retail cost (1982-84=100)	154.4	157.9	168.4	173.7	157.7	166.1	174.9	181.7	168.1	167.0
Farm value (1982-84=100)	110.8	120.5	128.4	120.9	97.3	120.8	149.7	168.3	138.5	126.2
Farm-retail spread (1982-84=100)	176.8	177.2	189.0	200.9	188.8	189.5	187.9	188.6	183.3	188.0
Farm value-retail cost (%)	24.4	25.9	25.9	23.6	20.9	24.7	29.1	31.5	28.0	25.7
<b>Processed fruits &amp; vegetables</b>										
Retail cost (1982-84=100)	130.2	133.7	131.5	131.1	132.2	132.5	133.2	135.0	134.2	134.2
Farm value (1982-84=100)	120.6	129.0	108.3	104.8	109.1	109.2	118.7	117.0	115.5	114.1
Farm-retail spread (1982-84=100)	133.2	135.2	139.4	139.3	139.4	139.8	137.7	140.6	140.0	140.5
Farm value-retail cost (%)	22.0	22.9	19.2	19.0	19.6	19.6	21.2	20.6	20.5	20.2
<b>Fats &amp; oils</b>										
Retail cost (1982-84=100)	131.7	129.8	130.0	130.2	130.0	129.2	129.4	131.3	131.5	132.6
Farm value (1982-84=100)	98.0	93.2	107.5	98.4	107.1	118.6	128.9	136.9	126.1	129.5
Farm-retail spread (1982-84=100)	144.2	143.3	138.3	141.9	138.4	133.1	129.6	129.2	133.6	133.8
Farm value-retail cost (%)	20.0	19.3	22.2	20.3	22.2	24.7	26.8	28.0	25.8	26.3
	Annual			1993			1994			
	1991	1992	1993	Apr	Nov	Dec	Jan	Feb	Mar	Apr
<b>Beef, Choice</b>										
Retail price 2/ (cts./lb.)	288.3	284.6	293.4	299.1	291.0	288.2	286.8	284.9	288.3	287.1
Wholesale value 3/ (csts.)	182.5	179.6	182.5	193.5	174.2	170.8	172.4	172.7	178.9	176.8
Net farm value 4/ (csts.)	160.2	161.8	164.1	177.2	152.1	152.3	154.4	155.5	160.6	160.8
Farm-retail spread (csts.)	128.1	122.8	129.3	121.9	138.9	135.9	132.4	129.4	127.7	126.3
Wholesale-retail 5/ (csts.)	105.8	105.0	110.9	105.6	116.8	117.6	114.4	112.2	111.4	110.3
Farm-wholesale 6/ (csts.)	22.3	17.8	18.4	16.3	22.1	18.3	18.0	17.2	16.3	16.0
Farm value-retail price (%)	56	57	56	59	52	53	54	55	56	56
<b>Pork</b>										
Retail price 2/ (csts./lb.)	211.9	198.0	197.6	191.4	202.1	201.1	201.2	199.9	201.4	198.7
Wholesale value 3/ (csts.)	108.9	98.9	102.8	102.3	103.7	102.7	106.4	108.1	105.0	103.3
Net farm value 4/ (csts.)	78.4	67.8	72.5	71.9	68.2	64.1	69.7	76.6	70.2	67.6
Farm-retail spread (csts.)	133.5	130.2	125.1	119.5	133.9	137.0	131.5	123.3	131.2	131.1
Wholesale-retail 5/ (csts.)	103.0	99.1	94.8	89.1	98.4	98.4	94.8	91.8	96.4	95.4
Farm-wholesale 6/ (csts.)	30.5	31.1	30.3	30.4	35.5	38.6	36.7	31.5	34.8	35.7
Farm value-retail price (%)	37	34	37	38	34	32	35	38	35	34

1/ Retail costs are based on GPI-U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm-retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, & in-city transportation. 6/ Charges for livestock marketing, processing, & transportation.

Information contacts: Denis Dunham (202) 219-0870, Larry Duewer (202) 219-0712.

Table 9.—Price Indexes of Food Marketing Costs

(See the May 1994 issue.)

**Information contact: Denis Dunham (202) 219-0870.**

## Livestock & Products

Table 10.—U.S. Meat Supply &amp; Use

	Beg. stocks	Produc- tion 1/	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price 3/
							Total	Per capita 2/	
	Million pounds 4/						Pounds		
Beef									
1992	419	23,086	2,440	25,945	1,324	360	24,261	66.5	75.36
1993	360	23,049	2,401	25,810	1,275	629	24,006	65.1	76.36
1994 F	529	23,976	2,365	26,870	1,425	475	24,970	67.0	71-74
1995 F	475	24,557	2,450	27,482	1,545	450	25,487	67.7	68-74
Pork									
1992	388	17,234	645	18,267	407	385	17,476	53.1	43.03
1993	385	17,088	740	18,213	435	359	17,419	52.3	46.10
1994 F	359	16,890	760	18,009	420	375	17,214	51.2	45-47
1995 F	375	17,358	675	18,408	440	375	17,593	51.8	42-48
Veal 5/									
1992	7	310	0	317	0	5	312	1.0	89.38
1993	5	285	0	290	0	4	286	0.9	95.92
1994 F	4	289	0	293	0	5	288	0.9	92-94
1995 F	5	290	0	295	0	5	290	0.9	89-95
Lamb & mutton									
1992	6	348	50	404	8	8	388	1.4	61.00
1993	8	337	53	398	8	8	381	1.3	65.85
1994 F	8	344	51	403	8	9	386	1.3	58-60
1995 F	9	308	60	377	8	9	360	1.2	60-66
Total red meat									
1992	820	40,978	3,135	44,933	1,739	758	42,436	121.9	—
1993	758	40,759	3,194	44,711	1,718	900	42,092	119.7	—
1994 F	900	41,499	3,176	45,575	1,853	864	42,858	120.5	—
1995 F	864	42,513	3,185	46,562	1,995	839	43,730	121.7	—
Broilers									
1992	300	20,904	0	21,204	1,489	368	19,347	66.8	52.6
1993	368	22,015	0	22,383	1,966	358	20,059	68.3	55.2
1994 F	358	23,234	0	23,592	2,205	390	20,997	70.8	55-57
1995 F	390	24,316	0	24,706	2,315	390	22,001	73.4	52-58
Mature chicken									
1992	10	520	0	530	41	10	479	1.9	—
1993	10	515	0	525	56	8	461	1.8	—
1994 F	8	523	0	530	60	7	463	1.8	—
1995 F	7	522	0	529	60	6	463	1.8	—
Turkeys									
1992	264	4,777	0	5,041	171	272	4,599	18.0	60.2
1993	272	4,798	0	5,069	212	249	4,608	17.8	62.6
1994 F	249	4,948	0	5,197	204	265	4,728	18.1	61-64
1995 F	265	5,047	0	5,312	210	265	4,837	18.4	59-63
Total poultry									
1992	575	26,201	0	26,775	1,701	650	24,425	86.4	—
1993	650	27,328	0	27,977	2,234	615	25,128	87.9	—
1994 F	615	28,704	0	29,319	2,469	662	26,188	90.7	—
1995 F	662	29,884	0	30,546	2,585	661	27,300	93.5	—
Red meat & poultry									
1992	1,395	67,179	3,135	71,708	3,440	1,408	66,861	208.4	—
1993	1,408	68,087	3,194	72,688	3,953	1,515	67,221	207.6	—
1994 F	1,515	70,203	3,176	74,894	4,322	1,526	69,048	211.1	—
1995 F	1,526	72,397	3,185	77,108	4,578	1,500	71,030	215.2	—

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass-to-retail conversion factor was 70.5). 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef, Medium # 1, Nebraska Direct 1,100-1,300 lb.; pork: barrows & gilts, Iowa, Southern Minnesota; veal: farm price of calves; lamb & mutton: Choice slaughter lambs, San Angelo; broilers: wholesale 12-city average; turkeys: wholesale NY 8-16 lb. young hens. 4/ Carcass weight for red meats & certified ready-to-cook for poultry. 5/ Beginning in 1989, veal trade is no longer reported separately. F = forecast. — = not available.

**Information contacts:** Polly Cochran or Maxine Davis (202) 219-0767.

Table 11.—U.S. Egg Supply &amp; Use

	Beg. stocks	Pro- duc- tion	im- ports	Total supply	Ex- ports	Hatch- ing use	Ending stocks	Consumption		
								Total	Per capita	Wholesale price*
Million dozen								No.	Cts./doz.	
1987	10.4	5,868.2	5.6	5,884.2	111.2	599.1	14.4	5,159.5	254.9	81.6
1988	14.4	5,784.2	5.3	5,803.9	141.8	605.9	15.2	5,041.0	248.9	82.1
1989	15.2	5,598.2	25.2	5,638.5	91.6	643.9	10.7	4,892.4	237.3	81.9
1990	10.7	5,665.6	9.1	5,685.3	100.5	678.5	11.6	4,894.7	235.0	82.2
1991	11.6	5,779.3	2.3	5,793.3	154.3	708.1	13.0	4,917.9	233.5	77.5
1992	13.0	5,884.8	4.3	5,902.1	157.0	732.0	13.5	4,999.6	234.8	65.4
1993	13.5	5,980.2	4.7	5,978.3	158.9	769.3	10.7	5,039.4	234.2	72.5
1994 P	10.7	6,052.6	4.5	6,067.8	160.0	800.0	12.0	5,095.9	234.4	67-71
1995 F	12.0	6,100.0	4.5	6,115.5	160.0	830.0	12.0	5,114.5	233.0	64-70

\* Cartoned grade A large eggs, New York. F = forecast. P = preliminary.

Information contact: Maxine Davis (202) 219-0767.

Table 12.—U.S. Milk Supply & Use<sup>1/</sup>

	Production	Farm use	Commercial		Imports	Total commercial supply	CCC net removals	Ending stocks	Disappearance	All milk price 1/	CCC net removals	
			Farm marketings	Beg. stock							Skim solids basis	Total solids basis 2/
Billion pounds (milkfat basis)										\$/cwt	Billion pounds	
1986	143.1	2.4	140.7	4.5	2.7	147.9	10.8	4.1	133.0	12.51	14.3	12.9
1987	142.7	2.3	140.5	4.1	2.5	147.1	6.8	4.6	135.7	12.54	9.3	8.3
1988	145.2	2.2	142.9	4.6	2.4	149.9	9.1	4.3	136.5	12.26	5.5	6.9
1989	144.2	2.1	142.2	4.3	2.5	149.0	9.4	4.1	135.4	13.56	0.4	4.0
1990	148.3	2.0	146.3	4.1	2.7	153.1	9.0	5.1	138.0	13.68	1.6	4.6
1991	148.5	2.0	146.5	5.1	2.6	154.3	10.4	4.5	139.4	12.24	3.9	6.5
1992	151.6	1.9	149.7	4.5	2.5	156.7	10.9	4.7	142.1	13.09	2.0	5.4
1993	151.0	1.9	149.0	4.7	2.8	158.5	6.7	4.6	145.2	12.83	4.2	6.2
1994 F	152.2	1.9	150.3	4.6	2.7	157.5	4.6	4.5	148.4	13.00	4.1	4.3

1/ Delivered to plants & dealers; does not reflect deductions. 2/ Arbitrarily weighted average of milkfat basis (40 percent) & skim solids basis (60 percent). F = forecast.

Information contact: Jim Miller (202) 219-0770.

Table 13.—Poultry &amp; Eggs

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.)	19,727.7	21,052.4	22,176.1	1,897.1	1,872.0	1,810.2	1,877.4	1,888.0	1,758.0	2,026.1
Wholesale price, 12-city (cts./lb.)	52.0	52.6	55.2	54.0	55.7	55.8	53.2	52.7	55.2	57.1
Price of grower feed (\$/ton)	208	208	210	213	219	218	217	223	227	221
Broiler-feed price ratio 1/	3.0	3.1	3.3	3.1	3.2	3.2	3.1	3.0	3.0	3.2
Stocks beginning of period (mil. lb.)	241.8	300.4	367.9	366.3	332.9	341.9	352.1	357.9	381.0	405.9
Broiler-type chicks hatched (mil.) 2/	6,816.5	6,892.8	7,218.3	622.9	584.0	574.1	623.3	617.7	557.8	643.0
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.)	4,651.9	4,828.9	4,847.7	382.9	451.4	461.8	375.3	347.3	341.9	400.9
Wholesale price, Eastern U.S., 8-16 lb. young hens (cts./lb.)	61.3	60.2	62.6	58.4	71.3	71.8	68.2	60.1	59.3	61.0
Price of turkey grower feed (\$/ton)	231	242	248	243	254	251	247	254	258	256
Turkey-feed price ratio 1/	3.3	3.1	3.2	3.1	3.4	3.4	3.3	2.9	2.9	3.0
Stocks beginning of period (mil. lb.)	306.4	264.1	271.7	359.8	713.8	683.6	290.6	249.1	279.8	304.6
Poults placed in U.S. (mil.)	308.1	307.8	308.9	27.7	21.0	23.8	25.3	25.4	25.1	28.1
<b>Eggs</b>										
Farm production (mil.)	69,352	70,818	71,522	6,067	6,144	6,037	6,243	6,137	5,558	6,275
Average number of layers (mil.)	275	278	283	282	285	287	288	288	286	289
Rate of lay (eggs per layer on farms)	252.4	253.9	252.6	21.5	21.6	21.1	21.7	21.3	19.3	21.7
Cartoned price, New York, grade A large (cts./doz.) 3/	77.5	65.4	72.5	85.2	70.9	71.5	72.2	68.0	72.1	74.4
Price of laying feed (\$/ton)	192	199	202	197	208	213	207	217	220	220
Egg-feed price ratio 1/	6.8	5.7	6.2	7.1	5.8	6.0	6.1	5.7	5.8	6.0
<b>Stocks, first of month</b>										
Shell (mil. doz.)	0.45	0.63	0.45	0.36	0.45	0.39	0.18	0.30	0.21	0.24
Frozen (mil. doz.)	11.2	12.3	13.0	12.9	10.9	10.7	10.3	10.4	11.2	12.0
Replacement chicks hatched (mil.)	420	386	406	38.2	31.6	30.1	30.4	32.8	31.1	33.3

1/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 2/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler-type chicks will be used as a substitute. 3/ Price of cartoned eggs to volume buyers for delivery to retailers.

Information contact: Maxine Davis (202) 219-0767.



Table 14.—Dairy

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt) 1/	11.05	11.88	11.80	11.02	12.46	12.75	12.51	12.41	12.41	12.77
Wholesale prices										
Butter, grade A Chi. (cfs./lb.)	99.3	82.5	74.4	75.3	74.2	73.0	69.7	64.0	64.0	65.5
Am. cheese, Wis. assembly pt. (cfs./lb.)	124.4	131.0	131.5	124.3	138.9	138.7	133.7	132.2	134.2	140.0
Nonfat dry milk (cfs./lb.) 2/	94.0	107.1	112.0	113.3	110.8	112.6	112.7	109.8	109.9	110.5
USDA net removals 3/										
Total milk equiv. (mil. lb.) 4/	10,426.0	9,936.8	6,752.1	1,136.6	-42.1	-161.0	618.0	1,185.4	1,015.6	178.2
Butter (mil. lb.)	442.9	439.5	292.3	50.0	-2.6	-9.1	22.8	53.4	46.2	7.7
Am. cheese (mil. lb.)	76.9	14.4	8.3	1.7	0.2	0.2	0.2	0.1	0.2	8/
Nonfat dry milk (mil. lb.)	269.5	136.7	330.1	40.0	13.1	56.1	25.7	16.6	11.7	14.7
Milk										
Milk prod. 21 States (mil. lb.)	125,671	128,223	127,383	11,080	10,331	9,994	10,461	10,637	9,802	10,988
Milk per cow (lb.)	14,977	15,544	15,680	1,353	1,280	1,239	1,299	1,323	1,222	1,374
Number of milk cows (1,000)	8,391	8,249	8,124	8,173	8,069	8,065	8,054	8,042	8,018	7,998
U.S. milk production (mil. lb.)	148,477	151,647	150,954	7/ 13,123	7/ 12,272	7/ 11,872	7/ 12,427	7/ 12,703	7/ 11,706	7/ 13,122
Stock, beginning										
Total (mil. lb.)	13,359	15,841	14,215	15,320	13,984	11,936	10,438	9,570	10,238	9,894
Commercial (mil. lb.)	5,146	4,461	4,688	4,590	5,038	4,760	4,579	4,550	5,090	4,776
Government (mil. lb.)	8,213	11,379	9,526	10,731	8,947	7,175	5,860	5,020	5,148	5,118
Imports, total (mil. lb.)	2,825	2,524	2,807	243	293	300	335	209	185	—
Commercial disappearance (mil. lb.)	139,343	142,087	145,230	12,054	12,722	12,358	12,110	11,024	11,043	—
Butter										
Production (mil. lb.)	1,335.8	1,365.2	1,315.2	131.6	97.8	97.3	120.3	131.8	119.6	117.8
Stocks, beginning (mil. lb.)	418.1	539.4	447.7	492.5	395.4	341.1	276.3	234.7	251.0	243.2
Commercial disappearance (mil. lb.)	0.0	944.2	1,037.1	83.8	100.0	108.9	100.3	69.1	80.0	—
American cheese										
Production (mil. lb.)	2,768.9	2,936.6	2,857.3	247.4	241.5	225.7	246.3	247.3	221.3	249.8
Stocks, beginning (mil. lb.)	347.4	318.7	346.7	334.6	389.8	368.8	362.5	358.7	381.6	361.7
Commercial disappearance (mil. lb.)	2,756.7	2,902.7	2,845.5	250.5	263.3	234.2	250.6	224.3	241.3	—
Other cheese										
Production (mil. lb.)	3,250.0	3,551.7	3,570.9	315.9	318.4	314.4	312.6	291.2	286.2	335.0
Stocks, beginning (mil. lb.)	110.6	97.5	120.9	124.8	111.3	104.0	100.5	107.0	115.5	113.8
Commercial disappearance (mil. lb.)	3,539.2	3,795.4	3,884.3	332.1	357.2	350.3	346.7	302.2	307.3	—
Nonfat dry milk										
Production (mil. lb.)	877.5	872.1	948.1	78.5	58.0	56.9	84.0	89.2	85.4	102.5
Stocks, beginning (mil. lb.)	161.9	214.8	81.2	71.5	100.0	75.9	66.4	89.6	86.6	80.9
Commercial disappearance (mil. lb.)	662.7	720.6	816.5	31.9	71.3	12.2	43.8	73.5	78.9	—
Frozen dessert										
Production (mil. gal.) 5/	1,203.1	1,195.8	1,198.3	106.1	86.3	79.0	78.4	76.7	66.2	111.2
	Annual			1992				1993		
	1991	1992	1993	III	IV	I	II	III	IV	P
Milk production (mil. lb.)	148,477	151,647	150,954	37,481	37,132	37,608	39,411	37,384	36,571	37,531
Milk per cow (lb.)	14,860	15,419	15,554	3,817	3,780	3,848	4,052	3,862	3,792	3,907
No. of milk cows (1,000)	9,992	9,835	9,705	9,820	9,823	9,773	9,727	9,675	9,644	9,605
Milk-feed price ratio 6/	1.58	1.69	1.64	1.74	1.69	1.61	1.67	1.62	1.68	1.66
Returns over concentrate costs (\$/cwt milk) 6/	8.95	9.95	9.64	10.10	9.75	9.09	9.65	9.35	10.02	10.00

1/ Manufacturing grade milk. 2/ Prices paid f.o.b. Central States production area. 3/ Includes products exported through the Dairy Export Incentive Program (DEIP).  
 4/ Milk equivalent, fat basis. 5/ Hard ice cream, ice milk, & hard sherbet. 6/ Based on average milk price after adjustment for price support deductions.  
 7/ Estimated. 8/ Less than 50,000 pounds. — = not available. P = preliminary.

Information contact: LaVerne T. Williams (202) 219-0770.

Table 15.—Wool

	Annual			1992		1993				1994
	1991	1992	1993	IV	I	II	III	IV	I	
U.S. wool price, (cfs./lb.) 1/	199	204	137	176	146	134	136	132	153	
Imported wool price, (cfs./lb.) 2/	187	210	142	189	150	137	128	150	171	
U.S. mill consumption, scoured										
Apparel wool (1,000 lb.)	137,187	136,143	139,941	31,066	35,503	35,482	35,021	33,955	—	
Carpet wool (1,000 lb.)	14,352	14,695	15,665	3,378	4,511	4,341	2,848	4,165	—	

1/ Wool price delivered at U.S. mills, clean basis. Graded Territory 84's (20.60–22.04 microns) staple 2–3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis. Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. — = not available. P = preliminary.

Information contact: John Lawler (202) 219-0840.

Table 16.—Meat Animals

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,992	8,397	9,073	8,781	8,184	9,016	9,307	9,279	9,142	8,911
Placed on feed (1,000 head)	19,704	20,498	102,014	1,616	2,474	1,858	1,499	1,543	1,346	1,815
Marketings (1,000 head)	19,071	18,623	18,988	1,585	1,566	1,459	1,451	1,609	1,501	1,573
Other disappearance (1,000 head)	1,233	1,199	1,199	111	78	108	78	71	78	88
Market prices (\$/cwt)										
Slaughter cattle										
Choice steers, 1,100-1,300 lb.										
Texas	74.21	75.36	78.36	82.80	71.14	71.64	71.00	72.01	72.44	74.85
Neb. Direct	74.68	75.71	77.02	82.66	72.13	73.23	72.42	72.88	73.03	75.41
Boning utility cows, Sioux Falls	50.66	44.84	47.52	49.50	46.00	43.12	42.38	42.54	44.06	46.72
Feeder steers										
Medium no. 1, Oklahoma City										
600-850 lb.	---	86.47	91.72	92.03	87.69	86.41	87.42	86.88	88.59	91.41
750-800 lb.	---	81.76	86.45	84.91	85.19	85.28	85.33	83.20	81.91	81.31
Slaughter hogs										
Barrows & gilts, 230-250 lb.										
Iowa, S. Minn.	49.69	43.03	46.10	47.51	47.54	43.37	40.88	44.26	48.50	44.58
6 markets	48.88	42.31	45.38	46.69	46.99	42.58	40.14	43.73	47.87	43.97
Feeder pigs										
S. Mo. 40-50 lb. (per head)	44.52	31.71	40.66	51.38	42.22	34.38	32.60	34.67	45.63	47.33
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	53.21	61.00	65.85	75.50	63.76	65.69	68.44	58.00	62.31	61.83
Ewes, Good, San Angelo	31.98	35.24	37.46	46.80	30.82	34.69	39.06	41.55	44.88	39.70
Feeder lambs										
Choice, San Angelo	53.29	62.21	69.32	84.10	69.96	71.81	72.00	69.85	74.00	68.20
Wholesale meat prices, Midwest										
Boxed beef cut-out value										
Choice, 700-800 lb.	117.24	116.02	117.71	124.96	108.35	110.17	108.06	110.08	110.28	113.63
Select, 700-800 lb.	112.73	111.66	113.53	123.11	104.85	106.21	104.34	107.13	107.93	111.21
Canner & cutter cow beef	99.42	93.85	95.39	96.13	90.22	89.50	89.50	91.51	92.91	93.89
Pork cutout, No. 2	67.02	58.37	62.19	62.45	64.87	61.07	56.98	59.75	64.43	60.96
Pork loins, 14-18 lb.	108.39	101.41	107.47	100.81	111.85	98.68	92.33	103.90	110.75	100.45
Pork bellies, 12-14 lb.	47.79	30.39	41.92	41.28	47.25	47.21	48.21	50.63	51.66	49.68
Hams, skinned, 20-26 lb.	73.55	66.67	66.90	72.76	73.68	66.14	57.45	59.52	67.60	64.27
All fresh beef retail price	271.05	266.79	273.43	272.92	273.50	273.58	273.55	269.29	269.88	271.60
Commercial slaughter (1,000 head) 2/										
Cattle	32,689	32,874	33,324	2,775	2,798	2,698	2,775	2,744	2,558	2,860
Steers	16,728	17,138	17,222	1,434	1,403	1,318	1,411	1,402	1,299	1,438
Hellars	9,725	9,238	9,358	747	805	760	768	785	743	830
Cows	5,626	5,845	6,089	541	531	567	545	510	470	537
Bulls & stags	614	653	659	62	59	56	51	47	46	57
Calves	1,436	1,371	1,195	119	97	105	106	102	96	114
Sheep & lambs	5,721	5,496	5,182	489	406	418	443	395	419	530
Hogs	88,169	94,889	93,068	8,139	8,038	8,139	8,397	7,467	6,949	8,330
Barrows & gilts	83,668	89,964	88,387	7,743	7,653	7,758	7,992	7,101	6,596	7,907
Commercial production (mil. lb.)										
Beef	22,800	22,968	22,942	1,858	1,980	1,891	1,948	1,942	1,801	2,001
Veal	296	299	267	26	22	23	24	23	22	26
Lamb & mutton	358	343	329	32	25	26	28	25	27	34
Pork	15,948	17,184	17,030	1,480	1,472	1,509	1,554	1,377	1,275	1,530

	Annual			1992	1993				1994	
	1991	1992	1993	IV	I	II	III	IV	I	II
Cattle on feed (13 States)										
Number on feed (1,000 head) 1/	10,827	10,135	10,884	8,920	10,884	10,452	9,473	9,651	11,106	10,824
Placed on feed (1,000 head)	23,208	24,241	24,011	7,458	5,321	5,314	6,341	7,048	5,337	---
Marketings (1,000 head)	22,383	22,056	22,316	5,174	5,314	5,833	5,893	5,276	5,544	---
Other disappearance (1,000 head)	1,517	1,436	1,484	320	439	460	270	315	275	---
Hogs & pigs (10 States) 3/										
Inventory (1,000 head) 1/	42,900	45,735	48,240	48,270	46,240	45,080	46,420	46,920	45,060	44,240
Breeding (1,000 head) 1/	5,257	5,610	5,516	5,735	5,515	5,470	5,630	5,560	5,450	5,455
Market (1,000 head) 1/	37,643	40,125	40,725	42,535	40,725	39,610	40,790	41,360	39,610	38,785
Farrowings (1,000 head)	9,516	9,695	9,292	2,373	2,210	2,621	2,332	2,229	2,221	2,352
Pig crop (1,000 head)	76,330	78,520	75,355	19,161	18,093	20,465	18,849	17,948	17,954	---

1/ Beginning of period. 2/ Closures estimated. 3/ Quarters are Dec. of preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), & Sept.-Nov. (IV). --- = not available.  
 \* = intentions.

Information contact: Polly Cochran (202) 219-0767

## Crops &amp; Products

Table 17.—Supply & Utilization<sup>1,2</sup>

	Area			Yield	Production	Total supply <sup>4/</sup>	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm Price <sup>5/</sup>
	Set aside <sup>3/</sup>	Planted	Harvested									
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
<b>Wheat</b>												
1989/90	9.8	76.6	62.2	32.7	2,037	2,762	140	653	1,232	2,225	536	3.72
1990/91	7.5	77.2	69.3	39.5	2,736	3,309	496	679	1,068	2,443	866	2.61
1991/92	15.9	69.9	57.7	34.3	1,981	2,888	250	667	1,280	2,416	472	3.00
1992/93*	7.3	72.3	62.4	39.4	2,459	3,001	191	927	1,354	2,472	529	3.24
1993/94*	5.7	72.2	62.6	38.3	2,402	3,026	300	942	1,225	2,467	559	3.20
1994/95*	—	71.5	61.9	38.1	2,358	2,997 <sup>1</sup>	250	957	1,175	2,382	615	2.75-3.35
<b>Rice</b>												
	Mil. acres			Lb./acre				Mil. cwt (rough equiv.)				\$/cwt
1989/90	1.16	2.73	2.69	5,749	154.5	185.6	—	6/ 82.0	77.2	159.2	26.4	7.35
1990/91	1.02	2.90	2.82	5,529	156.1	187.2	—	6/ 91.7	70.9	162.7	24.6	6.70
1991/92	0.9	2.88	2.76	5,674	157.5	187.3	—	6/ 93.5	66.4	159.9	27.4	7.58
1992/93*	0.4	3.18	3.13	5,736	179.7	213.2	—	6/ 96.7	77.0	173.7	39.4	5.89
1993/94*	0.7	2.92	2.83	5,510	156.1	202.6	—	6/ 98.5	81.0	179.5	23.1	8.25-8.75
1994/95*	—	3.29	3.20	5,656	181.0	212.1	—	6/101.0	81.0	182.0	30.1	5.75-7.25
<b>Corn</b>												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1989/90	10.8	72.2	64.7	116.3	7,525	9,458	4,389	1,350	2,368	8,113	1,344	2.36
1990/91	10.7	74.2	67.0	118.5	7,934	9,282	4,663	1,373	1,725	7,761	1,521	2.28
1991/92	7.4	76.0	68.8	108.6	7,475	9,016	4,878	1,454	1,584	7,916	1,100	2.37
1992/93*	5.3	79.3	72.2	131.4	9,482	10,589	5,301	1,511	1,663	8,476	2,113	2.67
1993/94*	10.9	73.3	63.0	100.7	6,344	8,477	4,825	1,800	1,225	7,650	827	2.50-2.60
1994/95*	—	78.6	71.5	122.1	8,725	9,557	5,200	1,750	1,350	8,300	1,257	2.10-2.50
<b>Sorghum</b>												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1989/90	3.3	12.6	11.1	55.4	615	1,055	517	15	303	835	220	2.10
1990/91	3.3	10.5	8.1	63.1	573	793	410	9	232	651	143	2.12
1991/92	2.4	11.1	9.9	59.3	585	727	374	9	292	674	53	2.25
1992/93*	2.0	13.3	12.2	72.8	884	937	478	8	277	782	175	1.89
1993/94*	2.3	10.5	8.5	59.9	568	743	475	8	175	658	85	2.30-2.40
1994/95*	—	10.0	8.9	65.7	585	870	375	8	175	558	112	1.90-2.30
<b>Barley</b>												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1989/90	2.3	9.1	8.3	48.8	404	614	193	175	84	453	181	2.42
1990/91	2.9	8.2	7.5	56.1	422	598	205	176	81	461	135	2.14
1991/92	2.1	8.9	8.4	55.2	484	624	225	176	94	496	129	2.10
1992/93*	2.4	7.6	7.3	62.5	458	598	195	172	80	447	151	2.04
1993/94*	2.5	7.8	6.8	58.9	400	605	250	175	65	490	116	2.00
1994/95*	—	7.8	7.0	57.2	400	561	200	175	60	435	126	1.95-2.35
<b>Oats</b>												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1989/90	0.3	12.1	6.9	54.3	374	538	266	115	1	381	157	1.49
1990/91	0.2	10.4	5.9	60.1	358	578	288	120	1	407	171	1.14
1991/92	0.5	8.7	4.8	50.7	243	489	235	125	2	362	128	1.21
1992/93*	0.7	8.0	4.5	65.6	295	477	233	125	6	364	113	1.32
1993/94*	0.8	7.9	3.8	54.4	208	424	190	125	4	319	106	1.35
1994/95*	—	8.9	4.3	56.5	245	426	175	125	2	302	124	1.10-1.50
<b>Soybeans</b>												
	Mil. acres			Bu./acre				Mil. bu.				\$/bu.
1989/90	0	60.8	59.5	32.3	1,924	2,109	7/ 101	1,146	623	1,870	239	5.69
1990/91	0	57.8	56.5	34.1	1,926	2,168	7/ 85	1,187	557	1,839	329	5.74
1991/92	0	59.2	58.0	34.2	1,987	2,319	7/ 103	1,254	684	2,041	278	5.68
1992/93*	0	59.1	58.2	37.6	2,188	2,486	7/ 127	1,279	770	2,176	292	5.56
1993/94*	0	59.4	56.4	32.0	1,809	2,106	7/ 106	1,255	590	1,951	155	6.45
1994/95*	0	61.1	60.0	35.0	2,100	2,260	7/ 105	1,275	600	1,980	280	5.25-6.35
<b>Soybean oil</b>												
								Mil. lbs.				¢/Cts./lb.
1989/90	—	—	—	—	13,004	14,741	—	12,083	1,353	13,436	1,305	22.30
1990/91	—	—	—	—	13,408	14,730	—	12,164	780	12,944	1,788	21.00
1991/92	—	—	—	—	14,345	16,132	—	12,245	1,848	13,893	2,239	19.10
1992/93*	—	—	—	—	13,778	16,027	—	13,053	1,418	14,472	1,555	21.40
1993/94*	—	—	—	—	13,565	15,175	—	13,150	1,100	14,250	925	27.75
1994/95*	—	—	—	—	14,345	15,300	—	13,250	1,050	14,300	1,000	25.00-30.00
<b>Soybean meal</b>												
								1,000 tons				¢/ \$/ton
1989/90	—	—	—	—	27,719	27,900	—	22,263	5,319	27,582	318	186.48
1990/91	—	—	—	—	28,325	28,688	—	22,934	5,469	28,403	285	181.40
1991/92	—	—	—	—	29,831	30,183	—	23,008	6,945	29,953	230	189.20
1992/93*	—	—	—	—	30,364	30,687	—	24,251	5,232	30,483	204	183.75
1993/94*	—	—	—	—	29,698	30,000	—	24,800	4,900	29,700	300	192.50
1994/95*	—	—	—	—	30,300	30,700	—	25,500	4,900	30,400	300	150-180

See footnotes at end of table.



Table 17.—Supply &amp; Utilization, continued

	Area			Yield	Production	Total supply 4/	Feed and residual	Other domestic use	Exports	Total use	Ending Stocks	Farm price 5/
	Set Aside 3/	Planted	Harvested									
	Mil. acres		Lb./acre				Mil. bales				Cts./lb.	
Cotton 10/												
1989/90	3.5	10.6	9.5	814	12.2	19.3	---	8.8	7.7	16.5	3.0	66.20
1990/91	2.0	12.3	11.7	834	15.5	18.5	---	8.7	7.8	16.5	2.3	67.10
1991/92	1.2	14.1	13.0	852	17.8	20.0	---	9.6	6.6	16.3	3.7	58.10
1992/93*	1.7	13.2	11.1	899	18.2	19.9	---	10.3	5.2	15.5	4.7	54.90
1993/94*	1.4	13.4	12.8	806	18.1	20.8	---	10.3	7.0	17.3	3.6	11/ 58.00
1994/95*	---	13.8	12.8	665	17.7	21.3	---	10.5	7.0	17.5	3.9	12/

\* May 10, 1994 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats; August 1 for cotton & rice; September 1 for soybeans, corn, & sorghum; October 1 for soybean meal & soybean oil. 2/ Conversion factors: Hectare (ha) = 2.471 acres; 1 metric ton = 2,204.622 pounds; 36 7437 bushels of wheat or soybeans, 39 3679 bushels of corn or sorghum, 45 9296 bushels of barley, 68 8944 bushels of oats, 22 046 cwt of rice, & 4 59 480-pound bales of cotton. 3/ Includes diversion, acreage reduction, 50-92, & 0-92 programs. 0/92 & 50/92 set-aside includes idled acreage & acreage planted to minor oilseeds, sesame, and crambe. 4/ Includes imports. 5/ Marketing-year weighted average price received by farmers. Does not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Includes seed. 8/ Simple average of crude soybean oil, Decatur. 9/ Simple average of 48 percent, Decatur. 10/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 11/ Weighted average for August 1-March 31; not a projection for the marketing year. 12/ USDA is prohibited from publishing cotton price projections. — = not available or not applicable.

Information contacts: Wheat, rice & feed grains, Jenny Gonzales (202) 219-0840; soybeans, soybean products & cotton, Mae Dean Johnson (202) 219-0840.

Table 18.—Cash Prices, Selected U.S. Commodities

	Marketing year 1/				1993			1994		
	1989/90	1990/91	1991/92	1992/93	Mar	Nov	Dec	Jan	Feb	Mar
Wheat, No. 1 HRW, Kansas City (\$/bu.) 2/	4.22	2.94	3.77	3.67	3.74	3.39	4.15	4.00	3.80	3.64
Wheat, DNS, Minneapolis (\$/bu.) 3/	4.16	3.08	3.82	3.91	3.87	5.50	5.45	5.32	5.29	4.94
Rice, S.W. La. (\$/cwt) 4/	15.55	15.25	16.50	13.30	12.60	23.75	26.25	26.25	25.40	23.65
Corn, no. 2 yellow, 30 day, Chicago (\$/bu.)	2.54	2.41	2.52	2.22	2.23	2.77	2.96	3.02	2.99	2.89
Sorghum, no. 2 yellow, Kansas City (\$/cwt)	4.21	4.08	4.38	3.74	3.70	4.60	4.91	4.93	4.81	4.64
Barley, feed, Duluth (\$/bu.) 5/	2.20	2.13	2.17	2.11	2.12	2.16	2.14	2.15	2.16	2.07
Barley, malting, Minneapolis (\$/bu.)	3.28	2.42	2.38	2.37	2.33	2.48	2.57	2.55	2.63	2.65
U.S. price, SLM, 1-1/16 in. (cts./lb.) 6/	69.8	74.8	56.7	54.1	56.3	55.6	60.3	66.5	72.7	72.7
Northern Europe prices index (cts./lb.) 7/	82.3	82.9	82.9	56.9	61.4	55.1	59.8	69.3	80.5	82.1
U.S. M 1-3/32 in. (cts./lb.) 8/	83.6	88.2	66.3	62.5	65.6	58.6	64.6	73.2	82.5	83.8
Soybeans, no. 1 yellow, 30 day, Chicago (\$/bu.)	5.86	5.76	5.75	5.96	5.79	6.55	6.84	6.92	6.77	6.81
Soybean oil, crude, Decatur (cts./lb.)	22.30	21.00	19.10	21.40	21.01	24.22	26.75	29.91	28.85	29.03
Soybean meal, 48% protein, Decatur (\$/ton) 9/	186.50	181.40	189.20	193.75	183.60	209.40	206.00	198.30	198.40	195.40

1/ Beginning June 1 for wheat & barley; Aug. 1 for rice & cotton; Sept. 1 for corn, sorghum & soybeans; Oct. 1 for soybean meal & oil. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Beginning Mar. 1987 reporting point changed from Minneapolis to Duluth. 6/ Average spot market. 7/ Liverpool Cotton "A" Index; average of five lowest prices of 13 selected growths. 8/ Memphis territory growths. 9/ Note change to 48% protein.

Information contacts: Wheat, rice, & feed grains, Jenny Gonzales (202) 219-0840; Soybeans, soybean products, & cotton, Mae Dean Johnson (202) 219-0840.

Table 19.—Farm Programs, Price Supports, Participation & Payment Rates<sup>1</sup>

	Target price	Basic loan rate	Findley or announced loan rate 1/	Payment rates			Effective base acres 2/	Program 3/	Participation rate 4/
				Paid land diversion					
				Total deficiency	Mandatory	Optional			
				\$/bu.			Mil. acres	Percent of base	Percent of base
Wheat									
1988/89	4.23	2.76	2.21	0.69	-----	-----	84.8	27 5/0/0	86
1989/90	4.10	2.58	2.06	0.32	-----	-----	82.3	10/0/0	78
1990/91 5/	4.00	2.44	1.95	1.28	-----	-----	80.5	6/ 5/0/0	83
1991/92	4.00	2.62	2.04	* 1.35	-----	-----	79.2	15/0/0	85
1992/93	4.00	2.58	2.21	0.81	-----	-----	78.9	5/0/0	83
1993/94	4.00	2.86	2.45	** 1.03	-----	-----	78.4	0/0/0	87
1994/95	4.00	2.72	2.58	*** 0.85	-----	-----	-----	0/0/0	-----
Rice									
				\$/cwt					
1988/89	11.15	6.63	7/ 6.50	4.31	-----	-----	4.2	25/0/0	94
1989/90	10.80	6.50	7/ 6.00	3.56	-----	-----	4.2	25/0/0	94
1990/91 5/	10.71	6.50	7/ 5.40	4.16	-----	-----	4.2	20/0/0	95
1991/92	10.71	6.50	7/ 5.85	3.07	-----	-----	4.2	5/0/0	95
1992/93	10.71	6.50	-----	4.21	-----	-----	4.1	0/0/0	96
1993/94	10.71	6.50	-----	** 3.88	-----	-----	4.1	5/0/0	96
1994/95	10.71	6.50	-----	*** 0.94	-----	-----	-----	0/0/0	-----
Corn									
				\$/bu.					
1988/89	2.93	2.21	1.77	0.36	-----	1.75	82.9	20/0/10	87
1989/90	2.84	2.06	1.65	0.58	-----	-----	82.7	10/0/0	79
1990/91 5/	2.75	1.96	1.57	0.51	-----	-----	82.6	10/0/0	78
1991/92	2.75	1.89	1.62	0.41	-----	-----	82.7	7.5/0/0	77
1992/93	2.75	2.01	1.72	0.73	-----	-----	82.1	5/0/0	76
1993/94	2.75	1.99	1.72	** 0.72	-----	-----	81.8	10/0/0	81
1994/95	2.75	1.99	1.89	*** 0.40	-----	-----	-----	0/0/0	-----
Sorghum									
				\$/bu.					
1988/89	2.78	2.10	1.88	0.48	-----	1.85	16.8	20/0/10	82
1989/90	2.70	1.98	1.57	0.66	-----	-----	16.2	10/0/0	71
1990/91 5/	2.61	1.86	1.49	0.56	-----	-----	15.4	10/0/0	70
1991/92	2.61	1.80	1.54	0.37	-----	-----	13.5	7 5/0/0	77
1992/93	2.61	1.81	1.63	0.70	-----	-----	13.6	5/0/0	79
1993/94	2.61	1.89	1.63	** 0.70	-----	-----	13.5	5/0/0	81
1994/95	2.61	1.89	1.80	*** 0.46	-----	-----	-----	0/0/0	-----
Barley									
				\$/bu.					
1988/89	2.51	1.80	1.44	0.00	-----	1.40	12.5	20/0/10	79
1989/90	2.44	1.68	1.34	0.00	-----	-----	12.3	10/0/0	67
1990/91 5/	2.36	1.60	1.28	0.20	-----	-----	11.9	10/0/0	68
1991/92	2.36	1.54	1.32	0.62	-----	-----	11.5	7.5/0/0	76
1992/93	2.36	1.64	1.40	0.56	-----	-----	11.1	5/0/0	75
1993/94	2.36	1.62	1.40	** 0.67	-----	-----	10.8	0/0/0	82
1994/95	2.36	1.82	1.54	*** 0.52	-----	-----	-----	0/0/0	-----
Oats									
				\$/bu.					
1988/89	1.55	1.14	0.91	0.00	-----	-----	7.9	5/0/0	30
1989/90	1.50	1.06	0.85	0.00	-----	-----	7.6	5/0/0	18
1990/91 5/	1.45	1.01	0.81	0.32	-----	-----	7.5	5/0/0	09
1991/92	1.45	0.97	0.83	0.35	-----	-----	7.3	0/0/0	38
1992/93	1.45	1.03	0.88	0.17	-----	-----	7.2	0/0/0	40
1993/94	1.45	1.02	0.88	** 0.11	-----	-----	7.1	0/0/0	46
1994/95	1.45	1.02	0.97	*** 0.00	-----	-----	-----	0/0/0	-----
Soybeans 9/									
				\$/bu.					
1988/89	-----	-----	4.77	-----	-----	-----	-----	-----	-----
1989/90	-----	-----	4.53	-----	-----	-----	-----	-----	-----
1990/91 5/	-----	-----	4.50	-----	-----	-----	-----	-----	-----
1991/92	-----	-----	5.02	-----	-----	-----	-----	-----	-----
1992/93	-----	-----	5.02	-----	-----	-----	-----	-----	-----
1993/94	-----	-----	5.02	-----	-----	-----	-----	-----	-----
1994/95	-----	-----	4.92	-----	-----	-----	-----	-----	-----
Upland cotton									
				Cts/lb.					
1988/89	75.9	51.80	11/ 51.80	19.4	-----	-----	14.5	12.5/0/0	89
1989/90	73.4	50.00	11/ 50.00	13.1	-----	-----	14.6	25/0/0	89
1990/91 5/	72.9	50.27	11/ 50.27	7.3	-----	-----	14.4	12.5/0/0	86
1991/92 12/	72.9	50.77	11/ 47.23	10.1	-----	-----	14.6	5/0/0	84
1992/93	72.9	52.35	11/ -----	20.3	-----	-----	14.9	10/0/0	89
1993/94	72.9	52.35	11/ -----	** 18.6	-----	-----	15.1	7 5/0/0	91
1994/95	72.9	50.00	11/ -----	*** 12.9	-----	-----	-----	11/0/0	-----

1/ There are no Findley loan rates for rice or cotton. See footnotes 7/ & 11/. 2/ National effective crop acreage base as determined by ASCS. Net of CRP.

3/ Program requirements for participating producers (mandatory acreage reduction program/mandatory paid land diversion/optional paid land diversion). Acres idled must be devoted to a conserving use to receive program benefits. 4/ Percentage of effective base acres enrolled in acreage reduction programs. 5/ Payments & loans were reduced by 1.4 percent in 1990/91 due to Gramm-Rudman-Hollings. Budget Reconciliation Act reductions to deficiency payments rates were also in effect in that year. Data do not include these reductions. 6/ Under 1990 modified contract, participating producers plant up to 105 percent of their wheat base acres. For every acre planted above 95 percent of base, the acreage used to compute deficiency payments was cut by 1 acre. 7/ A marketing loan has been in effect for rice since 1985/86. Loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). However, loans cannot be repaid at less than a specified fraction of the loan rate. Data refer to market-year average loan repayment rates. 8/ The sorghum, oats, & barley programs are the same as for corn except as indicated. 9/ There are no target prices, base acres, acreage reduction programs, or deficiency payment rates for soybeans. 10/ Nominal percentage of program crop base acres permitted to shift into soybeans without loss of base. 11/ A marketing loan has been in effect for cotton since 1986/87. In 1987/88 & after, loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly; Plan B). Starting in 1991/92, loans cannot be repaid at less than 70 percent of the loan rate. Data refer to annual average loan repayment rates. 12/ A marketing certificate program was implemented on Aug. 1, 1991. — = not available.

\* For wheat, the 1991/92 rate is the total deficiency payment rate for the "regular" program. For the winter wheat option, the rate is \$1.25.

\*\* For wheat, barley, and oats, regular deficiency payment rate based on the 5-month price. For rice and upland cotton, total deficiency payment rate. For corn and sorghum, rate was projected at sign-up. 5-month regular deficiency payment rate for corn and sorghum is due to be released in March 1994.

\*\*\* Estimated total deficiency payment rate. Minimum guaranteed payment rate for 0/85 (wheat & feed grains) & 50/85 (rice and upland cotton) programs. Sign-up for 1994 programs was March 1–April 29, 1994.

Note: 1993 effective base acres and participation rates are from November 30 preliminary compliance report.

Information contact: Agricultural Stabilization and Conservation Service (202) 690-0445.

Table 20.—Fruit

	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Citrus 1/									
Production (1,000 ton)	10,525	11,058	11,993	12,761	13,188	10,860	11,285	12,452	15,338
Per capita consumpt. (lbs.) 2/	21.5	24.2	23.9	25.4	23.5	21.4	19.1	24.3	—
Noncitrus 3/									
Production (1,000 tons)	14,191	13,874	16,011	15,893	16,365	15,657	15,748	17,116	15,936
Per capita consumpt. (lbs.) 2/	65.1	68.7	73.4	71.7	73.0	70.8	70.8	74.4	—
	1993					1994			
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
F.o.b. shipping point prices									
Apples (\$/carton) 4/	11.50	12.78	13.34	12.33	12.00	12.00	12.00	13.00	12.30
Pears (\$/box) 5/	—	—	—	12.07	11.04	10.05	9.97	10.08	9.62
Grower prices									
Oranges (\$/box) 6/	4.87	7.27	10.52	11.87	5.25	3.95	3.91	4.14	4.48
Grapefruit (\$/box) 6/	3.92	3.41	3.51	8.13	4.19	4.38	3.20	3.20	2.54
Stocks, ending									
Fresh apples (mil. lbs.)	201.2	28.4	3,256.8	5,423.4	5,179.4	4,427.9	3,747.3	2,937.8	2,212.3
Fresh pears (mil. lbs.)	7.1	146.5	556.8	552.1	41.8	358.5	297.3	238.9	167.1
Frozen fruits (mil. lbs.)	831.3	939.8	997.9	1,179.0	1,110.8	1,008.8	835.7	848.3	752.1
Frozen orange juice (mil. lbs.)	1,147.0	1,029.6	875.7	817.2	890.9	955.5	1,229.0	1,407.3	1,281.3

1/ 1992 indicated 1991/92 season. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Red delicious, Washington, extra fancy, carton tray pack, 125's. 5/ D'Anjou, Washington, standard box wrapped, U.S. no. 1, 135's. 6/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Wynne Napper (202) 219-0884.

Table 21.—Vegetables

	Calendar year									
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Production										
Total vegetables (1,000 cwt)	458,334	453,030	448,829	478,381	469,779	542,437	561,704	564,581	538,637	532,109
Fresh (1,000 cwt) 1/ 3/	201,817	203,549	203,165	220,539	228,397	239,281	239,104	229,505	245,752	237,027
Processed (tons) 2/ 3/	12,725,880	12,474,040	12,273,200	12,892,100	12,019,110	15,157,790	16,130,020	16,753,820	14,844,260	14,754,080
Mushrooms (1,000 lbs.) 4/	595,681	587,956	614,393	631,819	667,759	714,992	749,151	748,832	776,357	—
Potatoes (1,000 cwt)	362,039	406,609	361,743	389,320	356,438	370,444	402,110	417,822	425,367	419,415
Sweetpotatoes (1,000 cwt)	12,902	14,573	12,368	11,811	10,945	11,358	12,594	11,203	12,005	11,791
Dry edible beans (1,000 cwt)	21,070	22,298	22,960	26,031	19,253	23,729	32,379	33,765	22,815	21,842
	1993					1994				
	Mar	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Shipments (1,000 cwt)										
Fresh	24,099	19,416	16,292	18,424	16,261	15,287	19,308	17,281	17,809	24,149
Iceberg lettuce	5,054	3,715	3,971	4,971	4,110	3,263	4,187	3,375	3,407	4,815
Tomatoes, all	3,885	2,742	2,183	2,944	2,885	2,408	2,200	2,568	3,074	3,876
Dry-bulb onions	3,390	2,877	2,793	3,839	2,859	2,776	2,960	2,353	2,282	3,450
Other 5/	11,770	10,082	7,345	6,870	6,427	6,840	9,959	8,974	9,046	12,208
Potatoes, all	18,545	9,393	8,622	13,504	11,563	12,404	14,952	13,141	12,953	20,075
Sweetpotatoes	468	178	154	343	244	565	353	172	211	347

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Excludes estimates reinstated in 1992 to preserve series comparability. 4/ Fresh & processing mushrooms only. Excludes specialty varieties. Crop year July 1 – June 30. 5/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, bell peppers, squash, cantaloupes, honeydews, & watermelons. P = preliminary. — = not available.

Information contacts: Gary Ludier or John Love (202) 219-0884.

Table 22.—Other Commodities

	Annual					1993					1994
	1989	1990	1991	1992	1993	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar	
Sugar											
Production 1/	8,841	8,334	7,145	7,492	7,824	2,351	825	735	3,902	2,194	
Deliveries 1/	8,340	8,661	6,693	8,936	9,023	2,067	2,201	2,491	2,264	2,114	
Stocks, ending 1/	2,947	2,729	3,039	3,225	3,488	3,904	2,957	1,599	3,486	3,980	
Coffee											
Composite green price N.Y. (cts/lb.)	95.17	76.93	70.09	55.30	64.31	60.48	55.07	69.47	72.21	76.08	
Imports, green bean equiv. (mil. lbs.) 2/	2,685	2,715	2,553	2,989	2,498	757	596	575	570	561	
	Annual					1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec	
Tobacco											
Avg. price to grower 3/											
Flue-cured (\$/lb.)	172.3	172.8	168.8	—	158.0	160.0	173.0	175.0	169.5	—	
Burley (\$/lb.)	178.8	181.5	181.5	182.5	—	—	—	—	182.5	181.5	
Domestic consumption 4/											
Cigarettes (bil.)	516.3	509.5	482.9	38.4	37.5	39.2	37.4	32.1	36.5	39.2	
Large cigars (mil.)	2,231.9	2,217.1	2,237.8	171.7	154.5	211.6	192.8	174.4	160.0	210.3	

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct-Sept. for burley. 4/ Taxable removals. — = not available.

Information contacts: Sugar, Peter Buzzanell (202) 219-0886. Coffee, Fred Gray (202) 219-0888. Tobacco, Verner Grise (202) 219-0890.



## World Agriculture

Table 23.—World Supply & Utilization of Major Crops, Livestock & Products

	1988/89	1989/90	1990/91	1991/92	1992/93 P	1993/94 F	1994/95 F
Million units							
<b>Wheat</b>							
Area (hectares)	217.4	225.8	231.5	222.4	223.0	222.4	220.2
Production (metric tons)	495.0	533.2	588.2	542.6	561.4	560.2	552.1
Exports (metric tons) 1/	102.3	102.3	101.2	108.7	110.3	97.9	97.6
Consumption (metric tons) 2/	524.3	532.2	563.5	559.3	544.6	563.5	561.5
Ending stocks (metric tons) 3/	120.5	121.5	146.2	129.5	146.3	143.0	133.5
<b>Coarse grains</b>							
Area (hectares)	323.4	321.1	314.5	318.2	318.8	311.7	314.6
Production (metric tons)	721.0	791.0	821.7	803.1	860.4	785.4	845.6
Exports (metric tons) 1/	95.3	103.8	88.2	93.8	88.8	83.2	83.0
Consumption (metric tons) 2/	785.0	814.0	809.5	806.4	830.5	828.4	843.0
Ending stocks (metric tons) 3/	151.0	128.0	140.3	137.0	168.9	123.9	126.6
<b>Rice, milled</b>							
Area (hectares)	145.5	146.6	146.7	145.7	145.2	142.8	---
Production (metric tons)	330.1	343.1	350.7	348.3	352.0	348.0	354.7
Exports (metric tons) 4/	14.0	11.7	12.0	14.1	14.8	15.8	---
Consumption (metric tons) 2/	327.7	336.4	345.8	352.8	355.6	355.2	356.2
Ending stocks (metric tons) 3/	47.8	54.5	59.4	54.9	51.3	44.1	42.6
<b>Total grains</b>							
Area (hectares)	686.3	693.5	692.7	686.3	687.0	676.9	534.8
Production (metric tons)	1,546.1	1,667.3	1,760.6	1,694.0	1,773.8	1,693.6	1,752.4
Exports (metric tons) 1/	211.6	217.8	201.4	216.6	213.9	196.9	180.6
Consumption (metric tons) 2/	1,637.0	1,682.6	1,716.8	1,718.5	1,730.7	1,747.1	1,750.7
Ending stocks (metric tons) 3/	319.3	304.0	345.9	321.4	364.5	311.0	302.7
<b>Oilseeds</b>							
Crush (metric tons)	164.5	171.7	176.7	185.2	183.6	184.4	---
Production (metric tons)	201.6	212.4	215.8	224.2	226.8	222.7	---
Exports (metric tons)	31.5	35.6	33.4	37.6	37.7	36.7	---
Ending stocks (metric tons)	22.1	23.7	23.4	21.8	23.3	19.5	---
<b>Meals</b>							
Production (metric tons)	111.1	116.8	119.3	125.3	125.0	126.4	---
Exports (metric tons)	37.4	39.6	40.7	43.1	42.3	43.1	---
<b>Oils</b>							
Production (metric tons)	53.3	57.1	58.1	60.6	60.8	62.4	---
Exports (metric tons)	18.1	20.4	20.6	20.9	20.8	21.3	---
<b>Cotton</b>							
Area (hectares)	33.8	31.6	33.1	34.6	32.8	31.4	32.1
Production (bales)	84.4	79.7	87.0	96.0	82.8	76.0	84.0
Exports (bales)	33.4	31.3	29.7	28.1	24.8	26.2	27.0
Consumption (bales)	85.3	86.6	85.5	84.5	85.6	84.7	85.5
Ending stocks (bales)	31.4	25.8	28.2	40.6	38.6	30.3	28.6
	1988	1989	1990	1991	1992	1993 P	1994 F
<b>Red meat</b>							
Production (metric tons)	110.5	112.3	113.9	115.5	116.5	117.0	119.9
Consumption (metric tons)	108.3	110.9	111.8	113.5	113.5	114.3	117.2
Exports (metric tons) 1/	8.0	8.2	8.2	8.4	7.9	8.0	8.1
<b>Poultry 5/</b>							
Production (metric tons)	32.0	33.1	35.0	36.8	39.0	40.5	42.1
Consumption (metric tons)	31.4	32.6	34.3	36.2	38.5	39.8	41.3
Exports (metric tons) 1/	1.7	1.7	1.9	2.2	2.3	2.6	2.9
<b>Dairy</b>							
Milk production (metric tons) 6/	---	387.4	395.3	385.3	379.6	379.9	380.5

1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1988 data correspond with 1987/88, etc. 5/ Poultry excludes the Peoples Republic of China before 1986. 6/ Data prior to 1989 no longer comparable. P = preliminary. F = forecast. --- = not available.

Information contacts: Crops, Carol Whitton (202) 219-0824; red meat & poultry, Linda Bailey (202) 219-1285; dairy, Sara Short (202) 219-0770.

## U.S. Agricultural Trade

**Table 24.—Prices of Principal U.S. Agricultural Trade Products**

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
<b>Export commodities</b>										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	3.52	4.13	3.83	4.05	3.72	3.99	4.33	4.22	4.01	3.85
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.75	2.66	2.82	2.49	2.71	2.97	3.10	3.23	3.15	3.05
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.69	2.63	2.56	2.46	2.57	2.93	3.07	3.14	3.07	2.93
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	6.05	6.01	6.53	6.09	6.40	6.88	7.18	7.30	7.12	7.12
Soybean oil, Decatur (cts./lb.)	20.14	19.16	22.83	21.01	22.90	25.42	28.19	29.89	28.73	28.82
Soybean meal, Decatur (\$/ton)	172.90	177.79	199.18	183.37	195.43	211.31	206.81	198.44	198.37	194.98
<b>Import commodities</b>										
Cotton, 7-market avg. spot (cts./lb.)	69.69	53.90	55.36	56.45	54.57	55.61	60.29	66.53	72.69	72.74
Tobacco, avg. price at auction (cts./lb.)	179.23	172.58	171.20	186.53	174.92	181.01	181.47	181.01	188.03	158.01
Rice, f.o.b. mill, Houston (\$/cwt)	16.46	16.80	16.12	15.00	16.13	23.50	25.50	25.50	25.50	24.88
Inedible tallow, Chicago (cts./lb.)	13.26	14.37	14.89	15.24	14.67	14.50	14.74	15.33	15.14	15.44
<b>Import commodities</b>										
Coffee, N.Y. spot (\$/lb.)	0.71	0.50	0.59	0.56	0.66	0.65	0.63	0.64	0.68	0.74
Rubber, N.Y. spot (cts./lb.)	45.73	46.25	45.00	46.41	44.23	44.91	44.75	44.91	46.12	49.62
Cocoa beans, N.Y. (\$/lb.)	0.52	0.47	0.47	0.41	0.53	0.54	0.57	0.53	0.51	0.55

Information contact: Mary Teymourian (202) 219-0824.

**Table 25.—Indexes of Real Trade-Weighted Dollar Exchange Rates <sup>1/</sup>**

	1993							1994		
	May	June	July	Aug	Sept	Oct P	Nov P	Dec P	Jan P	Feb P
	1985 = 100									
<b>Total U.S. trade 2/</b>	67.4	66.8	68.8	68.8	67.1	68.2	69.7	69.9	70.6	70.1
<b>Agricultural trade</b>										
U.S. markets	77.2	76.0	77.1	76.7	75.9	76.5	77.3	77.6	78.2	77.5
U.S. competitors	79.3	77.7	78.5	78.6	78.0	78.3	78.5	78.5	79.2	79.8
<b>Wheat</b>										
U.S. markets	94.1	93.5	93.9	93.1	92.3	92.8	93.0	93.1	93.6	93.2
U.S. competitors	82.7	74.9	75.7	76.8	76.8	77.1	77.1	77.2	77.0	77.2
<b>Soybeans</b>										
U.S. markets	63.8	64.2	65.7	65.4	64.1	64.9	66.2	66.5	67.2	66.3
U.S. competitors	51.1	50.3	50.1	49.6	49.3	49.3	49.0	49.1	50.0	50.8
<b>Corn</b>										
U.S. markets	66.6	66.2	67.2	66.6	66.3	67.0	67.7	68.0	68.5	67.2
U.S. competitors	57.4	58.0	59.2	59.7	58.2	58.7	59.6	59.3	59.8	59.7
<b>Cotton</b>										
U.S. markets	72.1	71.0	71.9	71.6	71.2	71.9	72.5	72.7	73.1	71.8
U.S. competitors	106.1	105.2	105.7	105.9	105.2	104.8	105.8	109.3	110.8	112.9

<sup>1/</sup> Real indexes adjust nominal exchange rates for differences in rates of inflation, to avoid the distortion caused by high-inflation countries. A higher value means the dollar has appreciated. See the October 1988 issue of Agricultural Outlook for a discussion of the calculations and the weights used. <sup>2/</sup> Federal Reserve Board Index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance in world financial markets. P = preliminary.

Information contact: Douglas Rhoades or Tim Baxter (202) 219-0782.

**Table 26.—Trade Balance**

	Fiscal year <sup>1/</sup>							Feb
	1987	1988	1989	1990	1991	1992	1993	1994 F
	\$ million							
<b>Exports</b>								
Agricultural	27,876	35,318	39,590	40,220	37,609	42,430	42,590	42,500
Nonagricultural	202,911	258,656	301,289	326,059	356,682	383,517	390,783	—
Total 2/	230,787	293,972	340,859	366,279	394,291	425,947	433,373	—
<b>Imports</b>								
Agricultural	20,650	21,014	21,478	22,560	22,588	24,323	24,454	24,500
Nonagricultural	367,374	409,138	441,075	458,101	463,720	488,556	537,584	—
Total 3/	388,024	430,152	462,551	480,661	486,308	512,879	562,038	—
<b>Trade balance</b>								
Agricultural	7,226	14,302	18,114	17,660	15,021	18,107	18,136	18,000
Nonagricultural	-164,483	-150,482	-139,806	-132,042	-107,038	-105,039	-146,801	—
Total	-157,237	-135,180	-121,692	-114,382	-92,017	-86,932	-128,665	—

<sup>1/</sup> Fiscal years begin October 1 & end September 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. <sup>2/</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>3/</sup> Imports for consumption (customs value). F = forecast — = not available.

Information contact: Joel Greene (202) 219-0822.

Table 27.—U.S. Agricultural Exports &amp; Imports

	Fiscal year*			Feb	Fiscal year*			Feb
	1992	1993	1994 F	1994	1992	1993	1994 F	1994
	1,000 units				\$ million			
EXPORTS								
Animals, live (no.) 1/	1,476	1,107	—	85	567	358	—	32
Meats & preps., excl. poultry (mt)	1,107	1,160	2/ 1,000	93	3,236	3,349	—	255
Dairy products (mt) 1/	174	211	—	11	641	782	900	48
Poultry meats (mt)	794	986	1,100	96	915	1,031	—	99
Fats, oils, & greases (mt)	1,392	1,362	1,300	76	498	519	—	30
Hides & skins incl. furskins	—	—	—	—	1,336	1,288	—	101
Cattle hides, whole (no.) 1/	20,803	19,784	—	1,369	1,108	1,062	—	75
Mink pelts (no.) 1/	3,160	3,119	—	428	52	56	—	6
Grains & feeds (mt)	100,881	103,743	—	6,636	13,873	14,104	3/ 13,700	1,049
Wheat (mt)	34,322	36,078	31,500	2,375	4,323	4,737	4/ 4,300	318
Wheat flour (mt)	813	1,075	1,100	85	165	217	—	15
Rice (mt)	2,279	2,710	2,700	203	757	786	1,100	82
Feed grains, incl. products (mt)	50,752	50,705	39,100	2,857	5,801	5,251	4,700	369
Feeds & fodders (mt)	11,267	11,500	5/ 12,000	977	2,019	2,147	—	184
Other grain products (mt)	1,448	1,676	—	140	807	978	—	81
Fruits, nuts, & preps. (mt)	3,505	3,398	—	264	3,514	3,409	3,900	251
Fruit juices incl.	—	—	—	—	—	—	—	—
froz. (1,000 hectoliters) 1/	7,787	7,845	—	394	427	423	—	30
Vegetables & preps. (mt)	2,703	2,790	—	168	2,790	3,220	—	251
Tobacco, unmanufactured (mt)	246	231	—	22	1,568	1,443	1,200	136
Cotton, excl. linters (mt)	1,494	1,125	1,500	112	2,183	1,526	2,000	149
Seeds (mt)	612	533	—	69	650	648	700	81
Sugar, cane or beet (mt) 1/	492	337	—	35	154	108	—	12
Oilseeds & products (mt)	28,671	29,190	—	2,498	7,162	7,211	7,000	720
Oilseeds (mt)	19,939	21,049	—	1,892	4,735	4,982	—	525
Soybeans (mt)	19,277	20,400	16,500	1,845	4,316	4,606	4,300	490
Protein meal (mt)	7,082	6,539	—	462	1,445	1,261	—	92
Vegetable oils (mt)	1,651	1,601	—	145	982	968	—	103
Essential oils (mt)	13	13	—	1	184	185	—	17
Other	91	92	—	9	2,733	3,011	—	221
Total	142,175	145,171	127,100	10,110	42,430	42,590	42,500	3,482
IMPORTS								
Animals, live (no.) 1/	2,830	3,461	—	249	1,275	1,569	1,600	101
Meats & preps., excl. poultry (mt)	1,134	1,128	—	86	2,684	2,726	—	203
Beef & veal (mt)	813	793	780	57	1,933	1,919	1,900	135
Pork (mt)	263	276	315	25	625	663	800	58
Dairy products (mt) 1/	232	231	—	17	818	860	900	59
Poultry & products 1/	—	—	—	—	132	137	—	9
Fats, oils, & greases (mt)	46	44	—	3	26	30	—	2
Hides & skins, incl. furskins 1/	—	—	—	—	185	181	—	19
Wool, unmanufactured (mt)	54	60	—	4	167	173	—	12
Grains & feeds (mt)	5,448	4,942	7,100	605	1,548	1,639	2,100	180
Fruits, nuts, & preps., excl. juices (mt)	5,883	6,069	5,980	515	2,919	2,988	—	251
Bananas & plantains (mt)	3,626	3,737	3,700	267	1,083	1,083	1,000	71
Fruit juices (1,000 hectoliters) 1/	26,049	27,053	22,000	2,195	871	640	—	48
Vegetables & preps. (mt)	2,171	2,733	—	336	2,125	2,440	2,500	320
Tobacco, unmanufactured (mt)	364	386	250	12	1,299	1,101	700	31
Cotton, unmanufactured (mt)	11	12	—	1	10	11	—	1
Seeds (mt)	174	189	220	35	214	214	200	26
Nursery stock & cut flowers 1/	—	—	—	—	578	629	—	64
Sugar, cane or beet (mt)	1,623	1,569	—	182	633	591	—	54
Oilseeds & products (mt)	2,330	2,484	—	242	1,124	1,204	1,400	106
Oilseeds (mt)	429	373	—	85	135	130	—	27
Protein meal (mt)	629	618	—	58	84	89	—	6
Vegetable oils (mt)	1,273	1,492	—	99	904	985	—	70
Beverages excl. fruit juices (1,000 hectoliters) 1/	13,739	14,014	—	973	2,044	1,975	—	121
Coffee, tea, cocoa, spices (mt)	2,391	2,244	2,300	181	3,415	3,018	—	248
Coffee, incl. products (mt)	1,330	1,185	1,250	71	1,798	1,502	1,600	118
Cocoa beans & products (mt)	773	770	750	68	1,122	1,028	1,000	94
Rubber & allied gums (mt)	920	981	1,200	76	756	839	900	60
Other	—	—	—	—	1,503	1,488	—	119
Total	—	—	—	—	24,323	24,454	24,500	2,033

\*Fiscal years begin Oct. 1 and end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 and ended Sept. 30, 1993. 1/ Not included in total volume.

2/ Forecasts for footnoted items 2/–5/ are based on slightly different groups of commodities. Totals for fiscal 1993 forecast commodities were 2/ \$903 million tons. 3/ \$14,332 million. 4/ \$4,954 million, includes flour. 5/ \$11,885 million. F = forecast. — = not available.

Information contact: Joel Greene (202) 219-0622.



Table 28.—U.S. Agricultural Exports by Region

Region & country	Fiscal year*			Feb	Change from year* earlier			Feb
	1992	1993	1994 F	1994	1992	1993	1994 F	1994
	\$ million				Percent			
WESTERN EUROPE	7,740	7,499	7,300	663	8	-3	-3	-26
European Community (EC-12)	7,193	7,022	6,800	624	6	-2	-3	-28
Belgium-Luxembourg	481	482	—	48	-1	5	—	-11
France	618	613	—	40	8	-1	—	-46
Germany	1,091	1,146	—	105	-4	5	—	-20
Italy	684	568	—	36	1	-17	—	-51
Netherlands	1,812	1,801	—	185	16	-1	—	-24
United Kingdom	882	916	—	71	0	4	—	-17
Portugal	240	223	—	8	-4	-7	—	-72
Spain, incl. Canary Islands	851	829	—	84	11	-13	—	-30
Other Western Europe	546	477	500	39	2	-13	5	26
Switzerland	187	152	—	12	-4	-19	—	7
EASTERN EUROPE	222	468	400	25	-27	111	-15	-32
Poland	49	230	—	8	7	368	—	-40
Former Yugoslavia	60	47	—	5	-32	-6	—	-46
Romania	76	107	—	5	-7	42	—	-54
Former Soviet Union	2,704	1,561	1,300	85	54	-42	-17	46
ASIA	17,782	17,832	16,400	1,518	10	0	-8	1
West Asia (Mideast)	1,770	1,922	2,000	129	24	9	4	-42
Turkey	344	369	—	10	54	7	—	-83
Iraq	0	1	0	0	0	150	0	0
Israel, incl. Gaza & W. Bank	346	382	400	50	21	10	5	47
Saudi Arabia	549	463	500	33	2	-16	8	-33
South Asia	538	641	—	25	43	20	—	-45
Bangladesh	123	52	—	1	84	-58	—	-93
India	117	226	—	7	24	93	—	-78
Pakistan	226	236	300	16	57	4	27	1,825
China	690	322	300	47	3	-53	-7	-30
Japan	8,383	8,461	9,100	774	8	1	8	11
Southeast Asia	1,470	1,551	—	137	19	6	—	-9
Indonesia	353	327	—	31	27	-7	—	4
Philippines	443	512	600	24	19	16	17	-15
Other East Asia	4,934	4,935	5,000	408	6	0	1	27
Taiwan	1,916	1,999	2,100	175	10	4	5	47
Korea, Rep.	2,200	2,041	1,900	160	2	-7	-7	17
Hong Kong	817	880	900	73	10	8	2	22
AFRICA	2,304	2,671	2,400	191	22	16	-10	-37
North Africa	1,411	1,659	1,600	149	2	18	-4	-21
Morocco	156	310	—	21	21	98	—	-54
Algeria	478	458	500	79	0	-4	9	77
Egypt	709	756	700	42	2	7	-7	-52
Sub-Saharan	893	1,012	800	42	80	13	-21	-64
Nigeria	31	158	—	3	-30	413	—	-76
Rep. S. Africa	328	383	—	9	343	17	—	-86
LATIN AMERICA & CARIBBEAN	6,438	6,883	6,900	593	17	7	0	0
Brazil	143	231	200	20	-47	61	-13	-6
Caribbean Islands	970	1,015	—	86	-4	5	—	10
Central America	587	675	—	37	19	15	—	-33
Colombia	142	234	—	15	15	65	—	-17
Mexico	3,676	3,660	3,900	347	27	0	7	7
Peru	179	172	—	25	19	-4	—	203
Venezuela	394	502	400	39	-28	27	-20	-33
CANADA	4,812	5,220	5,400	373	9	8	3	-6
OCEANIA	428	456	400	33	23	6	-12	5
TOTAL	42,430	42,590	42,500	3,482	13	0	0	-9
Developed countries	21,968	22,337	22,600	1,897	9	2	1	-10
Developing countries	19,771	19,918	—	1,453	17	1	—	-8
Other countries	691	335	—	132	3	-51	—	0

\*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. F = forecast — = not available.  
 Note: Adjusted for transshipments through Canada.

Information contact: Joel Greene (202) 219-0822

## Farm Income

Table 29.—Farm Income Statistics

	Calendar year										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ billion										
1. Farm receipts	147.7	150.1	140.0	148.5	158.4	168.0	177.5	178.5	178.8	179	183 to 190
Crops (incl. net CCC loans)	69.0	74.3	63.7	65.9	71.7	77.0	80.1	81.9	84.8	82	87 to 91
Livestock	72.9	69.8	71.6	78.0	79.4	84.1	89.8	86.8	86.4	90	87 to 91
Farm related 1/	4.9	6.0	5.7	6.6	7.3	7.8	7.6	7.8	7.6	7	7 to 9
2. Direct Government payments	8.4	7.7	11.8	16.7	14.5	10.9	9.3	8.2	9.2	11	10 to 12
Cash payments	4.0	7.6	8.1	8.6	7.1	9.1	8.4	8.2	9.2	11	10 to 11
Value of PIK commodities	4.5	0.1	3.7	10.1	7.4	1.7	0.9	0.0	0.0	0	0 to 1
3. Gross cash income (1+2) 2/	156.1	157.9	152.8	165.1	172.9	179.8	186.8	184.7	187.9	190	193 to 201
4. Nonmoney income 3/	5.9	5.6	5.5	5.6	6.3	6.3	6.2	5.9	6.1	6	6 to 7
5. Value of inventory change	6.0	-2.3	-2.2	-2.3	-3.4	4.8	3.4	-0.3	3.8	-3	3 to 7
6. Total gross farm income (3+4+5)	168.0	161.2	156.1	168.5	175.8	190.9	196.4	190.3	197.7	194	204 to 213
7. Cash expenses 4/	118.7	110.7	105.0	109.4	118.4	125.1	130.9	131.4	130.2	131	130 to 138
8. Total expenses	141.9	132.4	125.1	128.8	137.0	144.0	149.9	150.3	149.1	151	150 to 159
9. Net cash income (3-7)	37.4	47.1	47.8	55.8	54.5	54.7	55.9	53.3	57.7	59	58 to 66
10. Net farm income (6-8)	26.1	28.8	31.0	39.7	38.8	46.9	46.5	40.0	48.6	43	50 to 58
Deflated (1987\$)	28.7	30.5	32.0	39.7	37.3	43.3	41.1	34.0	40.2	35	40 to 46

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisites to hired labor, & farm household expenses. Total may not add because of rounding. P = preliminary. F = forecast.  
 Note: 1988-92 accounts (primarily expenses) have been revised to reflect improved methods for estimating farm income. Call contact for information.

Information contact: Robert McElroy (202) 219-0800.

Table 30.—Average Income to Farm Operator Households

	Calendar year					
	1989	1990	1991	1992 P	1993 F	1994 F
	\$ per operator household					
Farm income to household 1/	5,796	5,742	4,397	4,882	4,900	4,500 to 5,500
Self-employment farm income	4,723	4,973	2,283	3,677	—	—
Other farm income to household	1,073	768	2,114	1,205	—	—
Plus: Total off-farm income	26,223	33,265	31,638	35,731	35,000	31,500 to 41,500
Income from wages, salaries, and non-farm businesses	19,467	24,778	23,551	27,022	—	—
Income from interest, dividends, transfer payments, etc.	6,756	8,487	8,087	8,709	—	—
Equals: Farm operator household income	32,019	39,007	36,035	40,613	39,800	38,000 to 47,000

1/ Farm income to the household equals self-employment income plus amounts that operators pay themselves & family members to work on the farm, income from renting out acreage, & net income from a farm business other than the one being surveyed. Data for 1989-90 are based on surveys that did not fully account for small farms. Data for 1991 include an additional 350,000 farms, many with gross sales under \$10,000 & negative net farm incomes. P = preliminary. F = forecasts. — = not available at this time.

Information contact: Janet Perry (202) 219-0807.

**Table 31.—Balance Sheet of the U.S. Farming Sector**

	Calendar year 1/										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ billion										
<b>Assets</b>											
Real estate	661.8	586.2	542.3	579.9	595.5	815.7	628.2	623.2	633.1	648	660 to 870
Non-real estate	195.2	186.5	182.1	193.7	205.6	214.1	220.2	219.1	228.4	230	230 to 240
Livestock & poultry	49.5	46.3	47.8	58.0	62.2	66.2	70.9	68.1	71.3	71	72 to 76
Machinery & motor vehicles	85.0	82.9	81.5	80.0	81.2	85.1	85.4	85.8	85.8	86	85 to 89
Crops stored 2/	26.1	22.9	16.3	17.5	23.3	23.4	22.8	22.0	24.1	25	24 to 28
Purchased inputs	2.0	1.2	2.1	3.2	3.5	2.6	2.9	2.6	3.9	3	2 to 4
Financial assets	32.6	33.3	34.5	35.1	35.4	36.8	38.3	40.6	43.4	45	45 to 49
Total farm assets	857.0	772.7	724.4	772.6	801.1	829.7	848.4	842.2	861.5	878	895 to 905
<b>Liabilities</b>											
Real estate debt 3/	106.7	100.1	90.4	82.4	77.6	75.4	74.1	74.6	75.6	76	76 to 80
Non-real estate debt 4/	87.1	77.5	66.6	82.0	61.7	61.9	63.2	64.3	63.6	65	64 to 68
Total farm debt	193.8	177.6	157.0	144.4	139.4	137.2	137.4	138.9	139.3	141	141 to 147
Total farm equity	663.3	595.1	567.5	628.2	661.7	692.4	710.9	703.3	722.2	737	750 to 760
	Percent										
<b>Selected ratios</b>											
Debt-to-assets	22.6	23.0	21.7	18.7	17.4	15.5	16.2	16.5	16.2	16	15 to 17
Debt-to-equity	29.2	29.8	27.7	23.0	21.1	19.8	19.3	19.7	19.3	19	18 to 20
Debt-to-net cash income	518	377	328	259	256	251	246	260	241	237	240 to 250

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. F = forecast.

Information contacts: Ken Erickson or Jim Ryan (202) 219-0798.



Table 32.—Cash Receipts from Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1992	1993	Jan 1994	Feb 1994	1992	1993	Jan 1994	Feb 1994	1992	1993	Jan 1994	Feb 1994
	\$ million 2/											
<b>NORTH ATLANTIC</b>												
Maine	301	318	24	22	213	202	20	20	513	517	44	42
New Hampshire	65	65	6	6	79	79	5	5	144	144	11	11
Vermont	389	378	35	32	63	61	3	3	452	439	37	34
Massachusetts	135	135	10	10	356	360	19	12	491	495	29	22
Rhode Island	13	13	1	1	60	59	3	3	72	72	4	4
Connecticut	240	274	22	20	249	242	33	14	489	517	55	34
New York	1,914	1,886	163	152	1,032	1,032	52	46	2,946	2,918	215	199
New Jersey	192	192	17	15	465	465	21	18	657	657	37	34
Pennsylvania	2,554	2,578	210	214	1,064	1,079	112	87	3,618	3,655	322	300
<b>NORTH CENTRAL</b>												
Ohio	1,580	1,632	134	126	2,587	2,548	200	170	4,167	4,180	334	296
Indiana	1,821	1,918	155	144	2,684	3,185	319	246	4,505	5,103	474	391
Illinois	2,202	2,259	184	171	5,431	5,814	845	485	7,634	8,073	1,029	657
Michigan	1,325	1,353	118	101	1,962	2,396	206	154	3,286	3,749	325	255
Wisconsin	4,313	4,300	326	309	1,188	1,113	114	70	5,499	5,414	440	379
Minnesota	3,622	3,721	301	292	3,460	2,816	201	131	7,082	6,537	502	423
Iowa	5,614	5,898	448	501	4,716	4,213	419	236	10,330	10,111	868	736
Missouri	2,188	2,303	159	192	1,935	1,797	230	95	4,123	4,100	389	288
North Dakota	755	771	80	69	2,339	2,264	272	171	3,094	3,035	353	240
South Dakota	1,966	2,057	199	195	1,263	1,181	103	66	3,229	3,238	301	261
Nebraska	5,674	5,852	397	495	3,109	3,096	411	164	8,783	8,949	807	659
Kansas	4,558	4,675	429	388	2,442	2,621	286	119	7,000	7,295	716	507
<b>SOUTHERN</b>												
Delaware	451	501	43	43	184	170	7	8	636	671	50	52
Maryland	804	855	69	66	587	548	28	27	1,391	1,402	97	93
Virginia	1,353	1,417	89	97	781	687	34	24	2,134	2,105	123	121
West Virginia	267	258	23	21	75	75	7	5	343	334	30	25
North Carolina	2,795	3,132	249	237	2,386	2,225	89	55	5,181	5,357	337	292
South Carolina	545	550	48	41	632	594	33	19	1,177	1,144	81	60
Georgia	2,309	2,495	214	207	1,764	1,603	101	64	4,073	4,098	315	271
Florida	1,180	1,171	101	97	4,985	4,748	529	502	6,145	5,919	630	600
Kentucky	1,641	1,686	92	101	1,580	1,675	285	103	3,221	3,361	377	204
Tennessee	1,081	1,076	68	99	1,042	1,002	138	41	2,103	2,078	206	139
Alabama	2,063	2,152	161	183	768	738	52	30	2,830	2,890	213	213
Mississippi	1,355	1,507	136	140	1,247	1,041	118	68	2,602	2,548	254	208
Arkansas	2,702	2,855	222	235	1,901	1,516	179	77	4,602	4,370	401	312
Louisiana	687	814	47	52	1,259	1,095	142	52	1,846	1,709	189	104
Oklahoma	2,498	2,683	189	251	1,137	1,096	94	43	3,635	3,780	283	294
Texas	7,523	8,221	634	571	4,097	4,202	603	291	11,620	12,423	1,237	862
<b>WESTERN</b>												
Montana	921	988	78	71	821	818	122	101	1,742	1,804	198	172
Idaho	1,173	1,231	94	95	1,643	1,714	118	78	2,816	2,945	211	173
Wyoming	606	634	35	82	167	158	11	10	773	792	46	72
Colorado	2,955	3,051	221	215	1,083	1,184	141	71	4,038	4,235	382	286
New Mexico	1,040	1,104	86	91	490	486	28	20	1,530	1,590	112	110
Arizona	892	1,003	62	65	943	1,072	133	81	1,835	2,074	195	146
Utah	556	555	47	48	182	188	18	12	738	743	65	60
Nevada	202	202	16	17	71	94	7	8	273	295	24	25
Washington	1,532	1,520	128	111	2,922	2,899	241	222	4,454	4,419	368	334
Oregon	795	801	60	52	1,695	1,718	115	93	2,490	2,519	175	145
California	5,055	5,355	453	417	13,179	12,755	632	499	18,234	18,110	1,085	916
Alaska	6	6	0	0	20	20	1	1	25	25	2	2
Hawaii	88	89	7	7	478	405	33	29	564	494	40	36
<b>UNITED STATES</b>	<b>88,358</b>	<b>90,283</b>	<b>7,087</b>	<b>7,148</b>	<b>84,810</b>	<b>83,150</b>	<b>7,910</b>	<b>4,953</b>	<b>171,168</b>	<b>173,433</b>	<b>14,997</b>	<b>12,100</b>

1/ Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via postal mail or e-mail contact Bob Dubman at (202) 219-0804.

Table 33.—Cash Receipts From Farming

	Annual						1993				1994	
	1988	1989	1990	1991	1992	1993	Feb	Oct	Nov	Dec	Jan	Feb
	\$ million											
Farm marketings & CCC loans*	151,154	161,163	169,973	168,721	171,168	173,433	11,732	19,393	17,688	16,681	14,997	12,100
Livestock & products	79,434	84,122	89,843	88,780	86,358	90,283	7,024	8,587	7,671	7,232	7,087	7,148
Meat animals	46,492	46,857	51,911	51,089	48,427	51,353	4,216	5,239	4,237	3,706	3,911	4,090
Dairy products	17,641	19,396	20,149	18,037	19,848	19,819	1,402	1,578	1,599	1,934	1,676	1,540
Poultry & eggs	12,868	15,372	15,243	15,122	15,441	16,681	1,227	1,580	1,519	1,408	1,320	1,348
Other	2,433	2,498	2,540	2,531	2,642	2,650	179	190	316	183	180	170
Crops	71,720	77,040	80,130	81,942	84,810	83,150	4,708	10,806	10,017	9,450	7,910	4,953
Food grains	7,489	8,247	7,517	7,410	8,890	7,965	436	688	803	732	882	530
Feed crops	14,283	17,054	18,871	19,491	20,073	19,526	1,363	1,737	2,407	2,495	2,329	1,389
Cotton (lint & seed)	4,548	5,033	5,489	5,236	5,207	5,181	252	754	1,154	1,552	874	281
Tobacco	2,083	2,415	2,741	2,866	2,961	2,958	60	432	343	571	345	51
Oil-bearing crops	13,500	11,868	12,258	12,700	12,998	13,055	680	3,498	1,419	1,026	1,420	718
Vegetables & melons	8,816	11,598	11,449	11,552	11,436	11,831	577	1,157	640	574	657	605
Fruits & tree nuts	9,027	9,173	9,440	9,888	10,183	9,917	521	1,195	1,415	1,069	553	539
Other	10,993	11,657	12,568	12,778	13,065	12,899	818	1,147	1,837	1,430	851	839
Government payments	14,480	10,887	9,298	8,214	9,169	13,174	1,072	828	1,667	1,731	622	1,188
Total	165,582	171,914	179,218	175,508	179,338	186,607	12,804	20,221	19,355	18,412	15,539	13,286

\* Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. — = not available.

Information contact: Roger Strickland (202) 219-0808. To receive current monthly cash receipts via mail contact Bob Dubman at (202) 219-0804.

Table 34.—Farm Production Expenses

	Calendar year									
	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ million									
Feed purchased	16,949	17,472	17,463	20,246	20,744	20,387	19,330	19,832	20,000	19,000 to 23,000
Livestock & poultry purchased	9,184	9,758	11,842	12,764	13,138	14,833	14,272	13,780	15,000	12,000 to 16,000
Seed purchased	3,128	3,188	3,259	4,062	4,400	4,521	5,119	4,918	5,000	4,000 to 6,000
Farm-origin inputs	29,261	30,418	32,564	37,071	38,281	39,742	38,722	38,531	40,000	39,000 to 43,000
Fertilizer & lime	7,512	8,820	8,453	7,681	8,177	8,210	8,671	8,340	8,000	7,000 to 11,000
Fuels & oils	6,436	5,310	4,957	4,800	4,772	5,790	5,599	5,311	5,000	4,000 to 7,000
Electricity	1,878	1,795	2,158	2,360	2,648	2,807	2,634	2,611	3,000	2,000 to 4,000
Pesticides	4,334	4,324	4,512	4,146	5,013	5,364	6,324	6,475	7,000	6,000 to 8,000
Manufactured inputs	20,159	18,249	18,078	18,987	20,610	21,971	23,229	22,736	23,000	22,000 to 26,000
Short-term interest	8,735	7,367	6,767	6,674	8,660	8,528	6,124	5,793	5,000	4,000 to 7,000
Real estate interest 1/	8,878	9,131	8,205	7,581	7,190	6,740	5,963	5,592	5,000	5,000 to 7,000
Total interest charges	18,613	16,498	14,972	14,255	13,850	13,268	12,088	11,385	11,000	10,000 to 14,000
Repair & maintenance 1/	5,370	6,426	6,759	7,717	8,407	8,553	8,630	8,469	9,000	8,000 to 10,000
Contract & hired labor	10,008	8,484	9,975	10,954	11,928	13,950	13,926	14,060	14,000	12,000 to 16,000
Machine hire & custom work	2,354	2,099	2,105	2,510	2,937	2,959	3,085	3,317	3,000	3,000 to 5,000
Marketing, storage, & transportation	4,127	3,852	4,078	3,516	4,208	4,211	4,719	4,642	4,000	4,000 to 8,000
Misc. operating expenses 1/ 2/	10,010	9,759	11,171	12,001	12,003	12,727	13,539	12,844	13,000	11,000 to 15,000
Other operating expenses	32,868	31,420	34,088	38,697	39,481	42,400	43,899	43,232	44,000	42,000 to 47,000
Capital consumption 1/	19,299	17,786	17,091	17,378	17,863	17,662	17,645	17,769	18,000	17,000 to 21,000
Taxes 1/	4,542	4,612	4,853	4,955	5,214	5,690	5,613	5,838	6,000	5,000 to 7,000
Net rent to nonoperator land/lords	7,690	6,099	7,124	7,684	8,731	9,164	9,112	9,603	9,000	9,000 to 11,000
Other overhead expenses	31,531	28,499	29,069	30,916	31,807	32,517	32,370	33,210	33,000	33,000 to 36,000
Total production expenses	132,433	125,084	128,772	137,026	144,029	149,897	150,307	149,094	151,000	150,000 to 159,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases, dairy assessments & feeding fees paid by nonoperators. Totals may not add because of rounding. P = preliminary. F = forecast.

Information contacts: Chris McGath (202) 219-0804, Robert McElroy (202) 219-0800.

Table 35.—CCC Net Outlays by Commodity &amp; Function

COMMODITY/PROGRAM	Fiscal year									
	1986	1987	1988	1989	1990	1991	1992	1993	1994 E	1995 E
	\$ million									
<b>Feed grains</b>										
Corn	10,524	12,346	8,227	2,863	2,450	2,387	2,105	5,143	568	1,322
Grain sorghum	1,185	1,203	764	467	361	243	190	410	120	154
Barley	471	394	57	45	-93	71	174	188	191	132
Oats	26	17	-2	1	-5	12	32	16	7	4
Corn & oat products	5	7	7	8	8	9	9	10	11	0
<b>Total feed grains</b>	<b>12,211</b>	<b>13,967</b>	<b>9,053</b>	<b>3,384</b>	<b>2,721</b>	<b>2,722</b>	<b>2,510</b>	<b>5,765</b>	<b>897</b>	<b>1,612</b>
Wheat	3,440	2,836	678	53	806	2,958	1,719	2,185	1,806	1,924
Rice	947	906	128	631	667	867	715	887	820	314
Upland cotton	2,142	1,786	666	1,461	-79	382	1,443	2,239	1,670	1,160
Tobacco	253	-346	-453	-367	-307	-143	29	235	403	-183
Dairy	2,337	1,166	1,295	679	505	839	232	253	256	264
Soybeans	1,597	-478	-1,676	-86	5	40	-29	109	-147	-57
Peanuts	32	8	7	13	1	48	41	-13	97	32
Sugar	214	-85	-246	-25	15	-20	-19	-35	-24	-33
Honey	89	73	100	42	47	19	17	22	8	-4
Wool	123	152	1/ 5	93	104	172	191	179	198	137
Operating expense 3/	457	535	614	620	618	625	6	6	7	8
Interest expenditure	1,411	1,219	425	98	632	745	532	129	134	111
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,985	1,520
1989/95 Disaster/Tree/										
livestock assistance	0	0	0	3,919	2/ 161	121	1,054	944	2,702	1,000
Other	486	371	1,865	110	609	2	-162	949	1,306	1,192
<b>Total</b>	<b>25,841</b>	<b>22,408</b>	<b>12,461</b>	<b>10,523</b>	<b>6,471</b>	<b>10,110</b>	<b>9,738</b>	<b>16,047</b>	<b>12,118</b>	<b>8,997</b>
<b>FUNCTION</b>										
Price-support loans (net)	13,628	12,199	4,579	-926	-399	418	584	2,065	443	-71
Direct payments 5/										
Deficiency	6,166	4,833	3,971	5,798	4,178	6,224	5,491	8,607	4,347	4,733
Diversion	64	382	8	-1	0	0	0	0	0	0
Dairy termination	489	587	260	168	189	96	2	0	0	0
Loan Deficiency	27	60	0	42	3	21	214	387	423	9
Other	0	0	0	0	0	0	140	149	153	123
Disaster	0	0	6	4	0	0	0	0	0	0
<b>Total direct payments</b>	<b>6,746</b>	<b>5,862</b>	<b>4,245</b>	<b>6,011</b>	<b>4,370</b>	<b>6,341</b>	<b>5,847</b>	<b>9,143</b>	<b>4,923</b>	<b>4,865</b>
1988-95 crop disaster	0	0	0	3,386	2/ 5	6	960	872	2,646	1,000
Emergency livestock/tree/										
forage assistance	0	0	31	533	156	115	94	72	56	0
Purchases (net)	1,670	-479	-1,131	116	-48	646	321	525	484	203
Producer storage										
payments	485	832	658	174	185	1	14	9	35	23
Processing, storage,										
& transportation	1,013	1,659	1,113	659	317	394	185	136	120	115
Operating expense 3/	457	535	614	620	618	625	6	6	7	8
Interest expenditure	1,411	1,219	425	98	632	745	532	129	134	111
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,985	1,520
Other	329	305	1,727	-46	669	86	-264	897	1,285	1,223
<b>Total</b>	<b>25,841</b>	<b>22,408</b>	<b>12,461</b>	<b>10,523</b>	<b>6,471</b>	<b>10,110</b>	<b>9,738</b>	<b>16,047</b>	<b>12,118</b>	<b>8,997</b>

1/ Fiscal 1988 wool & mohair program outlays were \$130,635,000 but include a one-time advance appropriation of \$126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately \$1.5 billion in benefits to farmers under the Disaster Assistance Act of 1989 were paid in generic certificates in FY 90 & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Direct Export Credit Program, CCC Transfers to the General Sales Manager, Market Promotion Program, starting in fiscal 1991 & starting in fiscal 1992 the Export Guarantee Program - Credit Reform, Export Enhancement Program, Dairy Export Incentive Program, and Technical Assistance to Emerging Democracies. 5/ Includes cash payments only. Excludes generic certificates in FY 86-93. E = Estimated in the FY 1995 President's Budget which was released February 7, 1994 based on November/December, 1993 supply & demand estimates. Minus (-) indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski (202) 720-5148.

## Food Expenditures

Table 36.—Food Expenditures

	Annual			1994			1994 year-to-date		
	1991	1992	1993	Feb	Mar	Apr P	Feb	Mar	Apr P
\$ billion									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	317.2 229.7	318.4 237.5	328.0 250.5	25.0 19.2	28.0 22.0	27.7 22.0	51.3 37.8	79.3 59.8	107.0 81.8
1993 \$ billion									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	328.3 238.3	325.5 341.7	328.0 250.5	24.5 19.0	27.4 21.8	27.0 21.7	50.0 37.4	77.4 59.1	104.5 80.8
Percent change from year earlier (\$ bil.)									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	4.3 3.1	0.4 3.4	3.0 5.5	2.4 6.4	5.8 9.8	2.9 7.3	2.4 3.1	3.6 5.5	3.4 5.9
Percent change from year earlier (1993 \$ bil.)									
Sales 1/ Off-premise use 2/ Meals & snacks 3/	1.4 -0.3	-0.9 1.4	0.8 3.6	-0.5 4.5	2.9 7.9	0.2 5.4	-0.9 1.2	0.4 3.6	0.3 4.0

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. R = revised. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food, excluding alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr. Econ. Rpt. No. 575, Aug 1987.

Information contact: Alden Manchester (202) 219-0880.

## Transportation

Table 37.—Rail Rates; Grain & Fruit-Vegetable Shipments

	Annual			1993				1994		
	1991	1992	1993	Mar	Oct	Nov	Dec	Jan	Feb	Mar
Rail freight rate index 1/ (Dec. 1984=100)										
All products	109.3	109.9	110.9	110.6	111.3	111.3	111.1 P	111.2 P	111.5 P	111.8 P
Farm products	111.4	111.1	113.7	113.5	114.6	114.8	114.7 P	115.1 P	114.5 P	114.8 P
Grain	111.2	111.4	114.7	114.5	115.8	116.0	115.8 P	116.4 P	115.6 P	115.7 P
Food products	108.1	108.7	108.9	108.9	109.8	109.6	108.5 P	108.5 P	110.2 P	111.8 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	26.6	27.4	27.3	30.2	28.8 P	27.4 P	26.2 P	26.0 P	25.1 P	25.1 P
Barge shipments (mil. ton) 3/	3.3	3.4	2.6	3.0	3.5	3.0	2.9	1.5	1.7	2.4
Fresh fruit & vegetable shipments 4/ 5/										
Piggy back (mil. cwt)	1.5	1.6	1.4	1.6	1.0	1.5	1.2	1.2	1.1	1.4
Rail (mil. cwt)	2.1	2.6	2.2	2.8	1.7	2.6	2.8	2.4	2.0	2.4
Truck (mil. cwt)	41.9	44.0	44.8	44.2	42.6	41.6	42.7	42.0	37.6	46.0
Cost of operating trucks hauling produce 4/ Fleet operation (cts./mile)	126.5	124.1	127.2	127.0	129.2	128.8	127.4	127.0	128.3	128.1

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Shipments on Illinois & Mississippi waterways, U.S. Corps of Engineers. 4/ Agricultural Marketing Service, USDA. 5/ Preliminary data for 1994. P = preliminary. — = not available.

Information contact: T.Q. Hutchinson (202) 219-0840.



## Indicators of Farm Productivity

Table 38.—Indexes of Farm Production, Input Use & Productivity <sup>1/</sup>

	1983	1984	1985	1986	1987	1988	1989	1990	1991 <sup>1/</sup>	1992 <sup>2/</sup>
	1982=100									
Farm output	84	101	105	102	104	97	108	112	112	---
All livestock products	102	100	103	103	108	108	110	112	114	---
Meat animals	102	100	99	99	100	102	102	102	105	---
Dairy products	103	99	105	108	105	107	106	109	109	---
Poultry & eggs	100	103	108	112	122	125	130	138	144	---
All crops	71	100	108	99	101	88	105	112	109	---
Feed crops	31	108	125	119	101	63	116	113	113	---
Food grains	84	93	87	77	77	70	77	99	76	---
Oil crops	75	87	96	88	88	71	87	87	92	---
Cotton and cotton seed	68	111	113	83	127	133	103	138	140	---
Tobacco	75	89	77	58	61	69	71	83	85	---
Vegetables and melons	97	103	109	110	117	111	114	123	122	---
Fruits and nuts	100	100	99	95	109	117	111	113	105	---
Other crops	101	110	111	120	132	137	141	141	148	---
Farm input	96	98	95	92	89	87	87	89	89	---
Farm labor	95	97	89	87	84	88	82	87	88	---
Farm real estate	92	97	97	94	91	90	91	90	89	---
Durable equipment	85	91	86	80	74	70	67	65	63	---
Energy	97	100	90	84	93	93	91	90	89	---
Agricultural chemicals	93	106	101	111	100	90	93	90	94	---
Feed, seed, and livestock purchases	99	101	106	105	101	98	99	105	104	---
Other purchased inputs	107	108	99	89	92	90	96	97	100	---
Farm output per unit of input	88	103	111	111	117	112	124	127	128	---
Output per unit of labor										
Farm <sup>3/</sup>	88	104	118	117	123	114	131	129	127	---
Nonfarm <sup>4/</sup>	102	105	106	108	109	110	109	109	110	114

<sup>1/</sup> New data and methods were used to calculate the 1991 indexes and to revise them back to 1948. <sup>2/</sup> Preliminary. <sup>3/</sup> Economic Research Service.  
<sup>4/</sup> Bureau of Labor Statistics. --- = not available.

Information contact: Rachel Evans (202) 219-0433.

## Food Supply &amp; Use

Table 39.—Per Capita Consumption of Major Food Commodities <sup>1/</sup>

Commodity	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Pounds									
Red meats 2/3/4/	124.9	122.2	117.4	119.5	115.9	112.3	111.9	114.1	112.2
Beef	74.6	74.4	69.6	68.8	65.4	64.0	63.1	62.8	61.7
Veal	1.5	1.6	1.3	1.1	1.0	0.9	0.9	0.8	0.7
Lamb & mutton	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pork	47.7	45.2	45.6	48.8	48.4	46.4	46.9	49.5	48.7
Poultry 2/3/4/	45.2	47.1	50.7	51.7	53.6	56.0	58.0	60.0	61.2
Chicken	36.1	37.0	39.1	39.3	40.5	42.2	43.9	45.9	47.2
Turkey	9.1	10.2	11.6	12.4	13.1	13.9	14.1	14.2	14.0
Fish & shellfish 3/	15.0	15.4	16.1	15.1	15.6	15.0	14.8	14.7	—
Eggs 4/	32.9	32.8	32.7	31.6	30.4	30.1	30.0	30.2	—
Dairy products									
Cheese (excluding cottage) 2/5/	22.5	23.1	24.1	23.7	23.8	24.6	25.0	26.0	—
American	12.2	12.1	12.4	11.5	11.0	11.1	11.1	11.3	—
Italian	6.5	7.0	7.6	8.1	8.5	9.0	9.4	10.0	—
Other cheese 6/	3.9	4.0	4.1	4.1	4.3	4.6	4.6	4.7	—
Cottage cheese	4.1	4.1	3.9	3.9	3.6	3.4	3.3	3.1	—
Beverage milks 2/	229.7	228.8	226.5	222.4	224.3	221.7	221.2	218.5	—
Fluid whole milk 7/	123.4	118.5	111.9	105.7	97.6	90.4	87.4	84.1	—
Fluid lowfat milk 8/	93.7	98.6	100.6	100.5	106.5	108.4	109.9	109.4	—
Fluid skim milk	12.6	13.5	14.0	16.1	20.2	22.9	23.9	25.0	—
Fluid cream products 9/	6.7	7.0	7.1	7.1	7.3	7.1	7.3	7.5	—
Yogurt (excluding frozen)	4.1	4.4	4.4	4.7	4.3	4.1	4.2	4.3	—
Ice cream	18.1	18.4	18.4	17.3	16.1	15.8	16.3	18.4	—
Ice milk	6.9	7.2	7.4	8.0	8.4	7.7	7.4	7.1	—
Frozen yogurt	—	—	—	—	2.0	2.8	3.5	3.1	—
All dairy products, milk equivalent, milkfat basis 10/	593.8	591.5	601.3	582.9	565.2	569.7	565.2	564.6	—
Fats & oils — Total fat content	64.3	64.4	62.9	63.0	60.4	62.2	63.8	65.6	—
Butter & margarine (product weight)	15.7	16.0	15.2	14.8	14.6	15.3	14.8	15.2	—
Shortening	22.9	22.1	21.4	21.5	21.5	22.2	22.4	22.4	—
Lard & edible tallow (direct use)	3.7	3.5	2.7	2.6	2.1	2.5	3.1	4.1	—
Salad & cooking oils	23.5	24.2	25.4	25.8	24.0	24.2	25.2	25.6	—
Fresh fruits 11/	110.8	117.4	121.6	120.7	123.1	116.8	113.2	122.7	—
Canned fruit 12/	12.7	12.9	13.6	13.3	13.3	13.5	12.3	14.4	—
Dried fruit	2.9	2.7	3.1	3.3	3.2	3.6	3.1	3.2	—
Frozen fruit	3.3	3.8	3.9	3.8	4.6	4.3	3.9	4.7	—
Selected fruit juices 13/	66.9	65.0	70.0	64.7	67.0	59.6	63.8	59.8	—
Vegetables 11/									
Fresh	103.0	100.5	107.0	111.5	115.5	113.3	110.4	109.3	—
Canning	95.1	95.6	95.1	91.2	98.7	101.7	103.4	106.3	—
Freezing	19.6	18.5	19.3	21.1	20.7	20.5	21.6	20.8	—
Potatoes, all 11/	122.4	126.0	125.9	122.5	127.1	127.8	130.6	133.5	—
Sweet potatoes 11/	5.4	4.4	4.4	4.1	4.1	4.8	4.0	4.3	—
Peanuts (shelled)	6.3	6.4	6.4	6.9	7.0	6.0	6.5	6.2	—
Tree nuts (shelled)	2.3	2.2	2.2	2.3	2.4	2.6	2.3	2.4	—
Flour & cereal products 14/	156.1	162.1	170.8	173.7	175.4	183.5	185.4	187.0	—
Wheat flour	124.7	125.7	130.0	130.0	129.6	135.8	136.5	138.3	—
Rice (milled basis)	9.0	11.6	14.0	14.3	15.2	16.2	16.8	16.8	—
Caloric sweeteners 15/	131.3	129.8	133.7	135.1	137.3	140.7	141.7	143.3	—
Coffee (green bean equiv.)	10.5	10.5	10.2	9.8	10.1	10.3	10.5	10.6	—
Cocoa (chocolate liquor equiv.)	3.7	3.8	3.8	3.8	4.0	4.3	4.6	4.6	—

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents total supply minus exports, nonfood use, & ending stocks. Calendar-year data except fresh citrus fruits, peanuts, tree nuts, & rice, which are on crop-year basis. 2/ Totals may not add due to rounding. 3/ Boneless, trimmed weight. Chicken series revised to exclude amount of ready-to-cook chicken going to pet food as well as some water leakage that occurs when chicken is cut up before packaging. 4/ Excludes shipments to the U.S. territories. 5/ Whole & part-skim milk cheese. 6/ Natural equivalent of cheese & cheese products. 7/ Includes Swiss, Brick, Munster, cream, Neufchatel, Blue, Gorgonzola, Edam, & Gouda. 8/ Plain & flavored. 9/ Plain & flavored & buttermilk. 10/ Heavy cream, light cream, half & half, & sour cream & dip. 11/ Includes condensed & evaporated milk & dry milk products. 12/ Farm weight. 13/ Excludes pineapples & berries. 14/ Single strength equivalent. 15/ Includes rye, corn, oat, & barley products. Excludes quantities used in alcoholic beverages, corn sweeteners, & fuel. 16/ Dry weight equivalent. — = not available. P = preliminary.

Information contact: Judy Jones Putnam (202) 219-0862

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